# SUPREME COURT OF THE UNITED STATES

## OCTOBER TERM, 1933

# No. 166

---

FEDERAL COMPRESS & WAREHOUSE COMPANY AND NEW AMSTERDAM CASUALTY COMPANY OF NEW YORK, APPELLANTS,

*vs.*

E. R. McLEAN, SHERIFF AND TAX COLLECTOR, ET AL.

---

APPEAL FROM THE SUPREME COURT OF THE STATE OF MISSISSIPPI

---

INDEX


| | Original | Print |
|---|---|---|
| Proceedings in supreme court of Mississippi | 1 | 1 |
| Praecipe for transcript of record | 3 | 1 |
| Assignments of error | 5 | 1 |
| Order allowing appeal | 7 | 3 |
| Order sending up exhibits in original form | 14 | 3 |
| Bond on appeal (omitted in printing) | 15 | |
| Record from circuit court of Bolivar County | 16 | 4 |
| Declaration | 16 | 4 |
| Exhibit "B"—Warehouseman's bond | 32b | 17 |
| Exhibit "C"—Warehouseman's license | 32c | 22 |
| Exhibit "D"—Regulations of Secretary of Agriculture under Warehouse Act | 32d | 23 |
| Exhibit "E"—Warehouse receipt | 32e | 70 |
| General issue plea | 34 | 71 |
| Agreement as to agreed statement of facts | 35 | 71 |
| Order permitting non-suit as to all defendants except McLean, sheriff, etc | 36 | 72 |
| Agreed statement as to facts | 37 | 73 |
| Exhibit "A"—Plat showing property involved | 50a | 84 |


JUDD & DETWEILER (INC.), PRINTERS, WASHINGTON, D. C., OCTOBER 23, 1933

| | Original | Print |
|---|---|---|
| Exhibit "B"—Agreement of February 1, 1930 | 51 | 85 |
| Exhibit "C"—Cashier's memorandum | 76a | 95 |
| Exhibit "D"—Weight sheet, waybill, and shipping order | 76b | 96 |
| Exhibit "E"—Warehouse receipt | 76c | 103 |
| Exhibit "F"—Shipping order | 76d | 104 |
| Exhibit "G"—Bills of lading | 76e | 105 |
| Exhibit "H"—Waybills....(omitted in printing) | 76f | |
| Exhibit "J"—Freight tariff | 76g | 109 |
| Exhibit "K"—Statement as to cotton production | 77 | 119 |
| Exhibit "L"—Statement as to cotton consumption | 78 | 120 |
| Judgment | 79 | 120 |
| Bond on appeal.....(omitted in printing) | 81 | |
| Opinion, Smith, J | 82 | 122 |
| Judgment | 86 | 124 |
| Clerk's certificate.....(omitted in printing) | 87 | |
| Statement of points to be relied upon and designation of parts of record to be printed | 88 | 125 |

[fols. 1-3 & 4]

## IN SUPREME COURT OF MISSISSIPPI

No. 30543

FEDERAL COMPRESS & WAREHOUSE COMPANY et al.

v.

E. R. McLEAN, Sheriff

PRÆCIPE FOR TRANSCRIPT OF RECORD—Filed May 8, 1933

To the Honorable Tom Q. Ellis, Clerk:

The appellants, Federal Compress & Warehouse Company, and New Amsterdam Casualty Company of New York, Surety on appeal bond, having perfected their appeal, you will please, in making your record, include the following:

1. Declaration. (Omit Exhibits A, F and G; Exhibits B, C, D and E are sent up under Rule in original form.)
2. General Issue Plea.
3. Agreement of parties (page 53).
4. Order as to nonsuit.
5. Agreed statement as to Facts, including Exhibits B, K and L. (Other Exhibits being sent up under rule in original form.) (Exhibit B being agreement between Railroad and appellant; K and L cotton production, etc.)
6. Final Judgment, page 170.
7. Appeal bond.
8. Judgment and Opinion of Supreme Court of Mississippi.
9. The appellate proceedings herein.

Marcellus Green, Sam W. Green, Forest B. Jackson,
Attorneys for Appellant.

[File endorsement omitted.]

---

[fol. 5] IN SUPREME COURT OF MISSISSIPPI

[Title omitted]

ASSIGNMENT OF ERRORS—Filed May 8, 1933

Now come Federal Compress & Warehouse Company and New Amsterdam Casualty Company of New York, Surety

on Appeal Bond, and assign error in the above entitled cause, as follows:

1. The State Court erred in holding that the defendant, appellant, was not liable to appellee for all amounts sued for, and in entering judgment for appellee, in this, that:

(a) In so far as that sought to be recovered was a tax upon said compress the said tax was, is and always has been a direct burden upon interstate commerce, in this (1) said compression is an act of interstate commerce; (2) the price of compression is paid out of the through rate collected by the carrier for the service rendered by plaintiff, appellant, for conservation of carrier's capacity in transportation of cotton, in interstate and foreign commerce.

2. As to the tax upon the warehouse, said demand of the appellant should have been sustained, because:

(a) Said warehouse as operated was and is a Federal instrumentality, and not subject to State privilege taxation, and exempt therefrom under the Federal Constitution.

(b) Said warehouse is an instrumentality of interstate commerce, and as such exempt from State taxation, in this, that said privilege taxation thereupon imposed is a direct burden upon interstate commerce.

3. The appellant was denied by the judgment rendered the protection to which it was entitled under the Commerce Clause of the Federal Constitution, both as to the compress operation and the warehouse operation of the plaintiff, both [fol. 6] of said operations being immune, pursuant to the Federal Constitution, from State taxation for privilege tax purposes, and the State was without authority to prohibit the appellant from therein engaging without obtaining as a requisite the State's assent thereto.

4. The State Court erred in not declaring said statutes and each of them unconstitutional, as in conflict with the Federal Constitution, especially the Interstate Commerce Clause thereof and the equal protection clause thereof, in this, that said statutes and each of them whereunder said taxes were exacted unduly burdened interstate commerce, and denied to appellant the equal protection of the law and deprived it of its property without due process of law, said statutes so thus unconstitutional being Section 57 and Section 63 of Chapter 88, Laws of 1930.

5. And for other causes to be assigned.

Wherefore, etc.

Marcellus Green, Sam W. Green, Forest B. Jackson, Attorneys for Appellant.

[File endorsement omitted.]

---

[fols. 7-13] IN SUPREME COURT OF MISSISSIPPI

[Title omitted]

ORDER ALLOWING APPEAL—Filed May 8, 1933

On motion of the Federal Compress & Warehouse Company and New Amsterdam Casualty Company of New York, surety on its appeal bond, it is ordered that an appeal to the Supreme Court of the United States, to be held in the City of Washington, D. C., from the judgment heretofore filed and entered herein on the 3rd day of April, 1933, be and the same is hereby allowed, and that a certified copy of the transcript of the record and all proceedings herein be forthwith transmitted to the said Supreme Court of the United States.

It is further ordered that the bond on appeal be fixed at the sum of Five Hundred ($500.00) Dollars, to be approved by the Clerk of this Court.

This May 8, 1933.

Sydney Smith, Chief Justice Supreme Court of Mississippi.

[File endorsement omitted.]

---

[fol. 14] IN SUPREME COURT OF MISSISSIPPI

[Title omitted]

ORDER SENDING UP EXHIBITS IN ORIGINAL FORM—Filed May 8, 1933

On Motion of appellants, it is ordered that the following exhibits be sent to the United States Supreme Court in the

original form, for the reason the same are necessary as a part of the record and same cannot be gotten before the Court in any other satisfactory form:

To the declaration:

Exhibit B—Warehouseman's license, and bond.
Exhibit C—do.
Exhibit D—Regulations Secretary of Agriculture.
Exhibit E—Warehouse Receipt.

To the agreed statement of facts:

Exhibit A—Plat showing property involved.
C—Cashier's Memorandum.
D—Weight Sheets.
E—Warehouse Receipts.
F—Shipping Order.
G—Bills of Lading—Export through.
H—Transit Freight Waybill.
J—Tariff.

Ordered this the 8th day of May, 1933.
Sydney Smith, Chief Justice Supreme Court of Mississippi.

[File endorsement omitted.]

---

[fol. 15] Bond on appeal for $500.00, approved and filed May 8, 1933, omitted in printing.

---

[fol. 16] In Circuit Court, Second Judicial District, Bolivar County, Mississippi

No. 4310

Federal Compress & Warehouse Company, Plaintiff,

vs.

E. R. McLean, Sheriff and Tax Collector, et al., Defendants

Declaration—Filed Oct. 17, 1932

Comes Federal Compress & Warehouse Company, a corporation under the Laws of Delaware, herein called "Plain-

tiff", and complains of E. R. McLean, Sheriff & Tax Collector of Bolivar County, Mississippi, a resident and citizen thereof, and herein called "Sheriff" and/or "Defendant", and Mrs. E. R. McLean, J. L. McLean, J. L. Smith, J. P. Wiggins, Wm. Berger, Mrs Wm. Berger, R. E. Jackson, C. W. Brown, Jr., J. P. Manning, J. H. Ingraham, A. E. Graham, E. R. Nobles, H. M. Laudig, W. M. Merritt, Ed B. Hill, C. J. Craggs, E. H. Green, J. C. Windham, Nelson H. Floyd and S. B. Johnson, sureties on the official bond of said defendant, herein called "Sureties" and/or "defendants", and for cause of action states;

I

Said McLean is Sheriff and Tax Collector of Bolivar County, Mississippi, having been heretofore, prior to May 1, 1932, duly elected and qualified, and prior to that date executed and delivered his official bond in the form of Exhibit "A" hereto annexed and made part hereof as if fully copied herein, in accordance wherewith said Sureties, along with said McLean, became liable to plaintiff for that herein claimed.

Plaintiff since 1925 has owned and operated a cotton warehouse, licensed and bonded under the United States [fol. 17] Warehouse Act, at Cleveland, Mississippi, having a capacity of more than 20,000 bales, but less than 35,000 bales of cotton; and likewise, and as a part of said warehouse operation, a compress, where cotton is compressed, of more than 30,000 bales and less than 40,000 bales capacity per annum, and has so had since 1925 and will continue so thus to have for many years, and especially for the period May 1, 1932, to and including May 1, 1933, the time covered by this suit, and whereasto unless specially herein otherwise specified the averments herein contained are made.

As owner of such warehouse and compress and of the land, building and machinery, the plaintiff has been lawfully assessed by the State of Mississippi, the County of Bolivar and the City of Cleveland with property taxes, and by the Levy Board for the protection rendered with levee taxes, and these taxes have heretofore been regularly paid, and therefore plaintiff is entitled to the protection of the laws.

Cotton is the great export crop of the State of Mississippi, being sent in both interstate and foreign commerce.

Less than 1% of it is consumed within Mississippi and more that 99% is sent therefrom through the instrumentalities of warehouses and compresses hereinafter delineated, and therefore said cotton is planted and harvested, it being well known that according to the custom of the country and the intention of those who dwell therein that said expert will occur just as it has been occurring for many years last past, and will continue thus to occur so long as the customs of the country remain as they are.

Plaintiff avers that in the recent case of Mathews v. Rodgers, U. S. Advance Sheets, Oct. Term, 1931, page 271, the facts as to handling of cotton at Clarksdale, which are the same as at Cleveland were thus adjudged to exist and herein said facts are adopted as part and parcel of this declaration, as follows:

"The said cotton, when it ripens in the field, is picked by [fol. 18] hand, put through a ginnery, by the process of which machine the lint is removed from the seed, and the lint cotton (in which plaintiffs deal exclusively as hereinafter shown) is wrapped and tied into bales weighing approximately five hundred pounds each. A bale of cotton, when wrapped and tied at the gin, is approximately five feet in length, three and one-half feet in width, and four and one-fourth feet in height.

"By general and uniform custom, bales of cotton from the gin are transported by rail or otherwise, and hereinafter described, to compreses. A Compress is a combination storage warehouse and plant equipped with machinery designated to press bales of cotton, under extremely high pressure, for the purpose of reducing its size. A Bale, after compression, is only about eighteen inches thick, the purpose of compression being that the railroads and carriers by water in interstate and foreign commerce, as hereinafter described, are enabled to load into cars and ships, for such carriage, approximately three times as much cotton after compression as otherwise would be possible. Approximately twenty-five per cent of the cotton which is bought and sold upon said market in Clarksdale, and is transported to the compresses by automobile, truck, or wagon, and delivered by that means to said compresses. Approximately seventy-five per cent of said cotton is transported to said compresses by rail over lines of the Yazoo & Mississippi Valley Railroad Company, a common carrier engaged in in-

terstate commerce, and which is the only such common carrier doing business at said market.

"At Clarksdale, there are two compresses owned and operated by a corporation existing under the Laws of the State of Delaware, to-wit: The Federal Compress & Warehouse Company. Said Federal Compress and Warehouse Company has, with reference—both and each of said compresses maintained at Clarksdale, complied with all of the terms and provisions of an act of Congress, the short title [fol. 19] of which is the "United States Warehouse Act", being Chapter 10, Title 7, U. S. C. A. The said Federal Compress and Warehouse Company complied with the terms and provisions of the said 'United States Warehouse Act' for the reason that all of said cotton stored in the said compresses and/or warehouses at Clarksdale, Mississippi, and handled in the manner above described was and is cotton stored and handled therein for interstate and/or foreign commerce, and the power of Congress to affect, by provisions of its said act, the said cotton so handled and stored arises only from the fact, that said cotton and all of it is stored and handled for interstate and foreign commerce, and Congress, in exercising the power granted it by said Article 1, Section 3, of the Constitution of the United States, over the said cotton, has thereby reserved to itself exclusive jurisdiction, power, and control thereof, and divested the State of Mississippi, of any power, if any it might have had, to control and/or regulate the buying, selling and/or shipping of said cotton.

"When cotton is delivered to said compresses, the said Federal Compresses & Warehouse Company issues to the owner thereof warehouse receipts, which receipts comply in all things with the terms and provisions of said Act of Congress. Said cotton is universally sold upon the market by transfer and delivery of said warehouse receipts in accordance with the terms of said Act of Congress, and actual samples taken from said bales of cotton; said warehouse receipts being the evidence of the ownership of such cotton.

"At Clarksdale, there exists an active market for the purchase and sale of cotton between farmers raising said cotton and plaintiffs and others engaged in like business, who are purchasing the same with the intention and purpose of selling and transporting same in interstate and foreign commerce, which is and was and has been a uni-

versal custom and course of business for more than twenty years past. The price at which said cotton is sold upon [fol. 20] said market at Clarksdale, however, is determined by the value of such cotton upon certain cotton exchanges maintained, respectively, in the Cities of New Orleans, Louisiana, Chicago, Illinois, and New York, New York; and there are maintained in the City of Clarksdale, Mississippi, officers of brokers who receive daily by wire, for periods of approximately five hours each day, continuous quotations from such exchanges which fix and determine the price at which cotton is sold upon said Clarksdale market. All of said cotton, however, is bought, by plaintiffs with the uniform purpose and intention, except the 'overs' hereinafter mentioned (which is and has been the universal course of business), to transport the same in interstate and foreign commerce to the mills located in the states upon the Atlantic seaboard, to-wit: Georgia, South Carolina, North Carolina, and Tennessee; and the mills of the New England States, to-wit: Massachusetts, Rhode Island, and Connecticut; and the mills of foreign countries. None of said cotton is spun or utilized within the confines of the State of Mississippi, or sold to or purchased by any consumer within the confines of the State of Mississippi.

"Approximately seventy-five per cent of said cotton is delivered by rail to said compresses at Clarksdale, and upon the delivery of such cotton to the said carrier by rail at points outlying said City of Clarksdale, said cotton thereupon is placed in and thereafter remains in the channels of interstate commerce. The said carrier transports by rail the said cotton to the said compress at Clarksdale, and it is there concentrated merely for the purpose of compression and for the purpose of awaiting the termination of its final point of destination outside the State of Mississippi. When the destination of such cotton is determined, the said carrier loads the same out on instructions of the then owner, after having the said cotton compressed, and [fol. 21] charges the through freight-rate from the point of origin to the point of destination outside of the State of Mississippi, instead of charging the combined rate for carriage in intrastate commerce from the point of origin to Clarksdale, plus the charge for carriage in interstate commerce from Clarksdale to the point of destination. As for instance: the rate for the carriage in intrastate com-

merce from Sumner, Mississippi, to Clarksdale, Mississippi, a distance of approximately twenty miles, of an uncompressed bale of cotton is $1.28 per Hundred Pounds. The through rate for the carriage of a compressed bale of cotton from Clarksdale, Mississippi, to Fall River, Massachusetts, is $1.28 per hundred pounds. The said carrier, instead of charging the combined rate above outlined for carriage from Sumner, Mississippi, to Fall River, Massachusetts, charges the through rate, which is the intermediate rate, as if there had been no interruption of shipment from Sumner, Mississippi, to Fall River, Massachusetts. The said charges are made by said carriers in accordance with the regulations prescribed by the Interstate Commerce Commission in pursuance of the act of Congress creating said commission and the several amendments thereto.

"The general and uniform custom and course of business in handling said cotton upon said market is had and done in the following manner:

"The farmer causes warehouse receipts, when the cotton is delivered to the compress, to be issued and delivered either directly to himself or his agent, commonly called a cotton factor. Upon the Clarksdale market, there are approximately twenty-five buyers and shippers who are engaged in the sole business of buying, selling, and shipping cotton in interstate and foreign commerce. The farmer or the factor causes the actual bales or cotton to be sam- [fol. 22] pled, and the cotton is sold to the plaintiffs and other buyers, sellers and shippers upon said market, upon the basis disclosed by the character of the samples of said cotton, and by endorsement and delivery of the said cotton receipts evidencing the ownership of the same, the price therefor being governed, by the markets in New York, Chicago and New Orleans. It is uniformly known and understood by the farmer, cotton factor, and the buyer that the buyer is purchasing said cotton solely for the purpose of causing the same to be transported by rail and/or water to said points in the United States and foreign countries where mills convert said cotton into textile products as aforesaid. No cotton that is bought and/or sold upon the Clarksdale market is utilized in the State of Mississippi, but all of said cotton, as aforesaid, is transported for consumption in interstate and foreign commerce.

"The general and uniform custom among buyers, shipper, and sellers, as well as the general course of business is that a buyer enters into a contract for either the future or immediate delivery of a certain number or bales of cotton of a certain class, grade, and staple, obligating himself by contract to deliver to a mill in a foreign state or country such cotton at a given price. Thereupon, such buyer will go upon the said market at Clarksdale, and purchase cotton of the kind and character which he is obligated to his customer to deliver, and will cause the delivery of said cotton in interstate and/or foreign commerce in accordance with the terms of his contract. A very small proportion of the cotton purchased by shippers, and cotton buyers (not exceeding ten per cent) is bought when no contract for the sale thereof exists as hereinabove alleged, but, in such cases, it is bought with the sole anticipation and intention on the part of the buyer (which intention is fully known [fol. 23] both to the buyer, farmer, and/or factor) to procure a sale of said cotton to some foreign cotton mill or foreign cotton merchant, and to cause the same to be transported in interstate and/or foreign commerce, as aforesaid, at such time as market conditions will justify. Plaintiffs have engaged in the business of buying and selling cotton in the manner aforesaid upon the markets hereinabove described for periods ranging from five to more than twenty years. The business of plaintiffs is commonly known as that either of a cotton buyer, cotton shipper, or words of like import.

"In the purchase of cotton by the plaintiffs as above set forth a small proportion of the cotton was purchased varying from one per cent to ten per cent constituting what is known in the cotton trade as 'overs or cotton which does not fit' said overs arising from reclassification, rejections and preparation. As an incident to the purchase and shipment of this cotton by the plaintiffs to its customers situated in foreign states and countries, the plaintiffs sell locally this small percentage of cotton for which they have no use, but which said latter cotton is eventually shipped out of the State of Mississippi by other cotton buyers of the same class as plaintiffs for delivery on orders which they may have for cotton of this particular grade, type or staple. Other and additional factors are shown by a stipulation entered into by the parties and filed herein.

"Under the above and foregoing facts plaintiffs are engaged in interstate commerce, and the State of Mississippi being unauthorized to levy a privilege tax on the privilege of engaging in said business, notwithstanding by its duly constituted officers is threatening and undertaking to burden or regulate interstate commerce in contravention of the Commerce Clause of the Constitution of the United States, and therefore the said Act, as its officers are construing and [fol. 24] attempting to enforce the same insofar as it undertakes to exact a privilege license from the plaintiffs so engaged in the business aforesaid, is unconstitutional and void".

Plaintiff reiterates that each and every fact so thus found existed heretofore prior to 1916 and has continuously existed since that date and now exists, and well recognizing the movement of said agricultural commodity, to-wit: cotton, in interstate commerce under the customs of the country, the Congress of the United States heretofore upon August 11, 1916, passed the United States Warehouse Act, whereunder and whereby it defined a warehouse as "every building, structure or other protected enclosure in which any agricultural product may be stored for interstate commerce."

Plaintiff avers that beginning in 1916 and continuing to date cotton for interstate commerce has been stored by this plaintiff and its predecessor in title in said warehouse, where for a license under said Act had been continuously in effect, a copy of which, and the bond guaranteeing the performance thereunder are hereto annexed, marked Exhibits B and C, respectively, and made a part hereof as if fully copied herein.

Said United States Warehouse Act, hereinafter called "statute" and/or "chapter," authorized the Secretary of Agriculture to investigate the storage, warehousing and classification according to grade or otherwise, weighing and certification of agricultural products, and beginning in 1916 and continuing to date, said Secretary of Agriculture has so done as herein set out as to said warehouse, and that this plaintiff and its predecessor in title, recognizing the advantages of being licensed by the United States in the performance of its obligations as a Warehouseman in the movement of said interstate commerce, made application to the

Secretary of Agriculture for a license thereunder, and pursuant to said Chapter, the Secretary of Agriculture [fol. 25] ma-y years since and continuously since that date determined that the warehouse of the plaintiff in the City of Cleveland was suited and suitable for the storage of agricultural products, to-wit, cotton, and did classify said warehouse of the plaintiff in accordance with its ownership, location, surrounding, capacity, condition and other qualities, and having so done, and finding a full compliance with said chapter in the business thus done by plaintiff and its predecessor, issued, beginning in 1916, to this plaintiff, a license to conduct said warehouse as a Federal Warehouse in accordance with the limitations of said chapter and with the duties thereunder prescribed.

This plaintiff agreed to and has subsequently complied and abided by all of the terms of said Chapter and the rules and regulations prescribed therein since 1916. A copy of the present rules are hereto annexed, marked Exhibit "D" and make a part hereof as if fully copied herein.

That for compliance with said Chapter and the rules and regulations prescribed by the Secretary of Agriculture, a good and sufficient bond has been filed covering the operations of this plaintiff throughout the entire State of Mississippi, and especially at Cleveland, Mississippi, binding this plaintiff and the surety on its bond for the due and proper performance of all obligations prescribed by said Chapter and the rules and regulations of the Secretary of Agriculture and of such additional obligations as may be assumed by plaintiff in said Interstate Commerce under contracts with the depositors of cotton in said Warehouse.

Plaintiff has, since 1925, and its predecessor since 1916, strictly complied with the provisions of said Chapter and all rules and regulations of the Secretary of Agriculture, and was upon May 1, 1932, and for a long time prior there- [fol. 26] to, to-wit, 1925, a licensed Federal Warehouse under a license issued by the United States and was then and has been continuously since and instrumentality of Interstate Commerce, and therein issued its receipt for cotton placed in its custody, the form of said receipt being that annexed hereto as Exhibit "E" and made a part hereof as fully as if copied herein.

Plaintiff has not in any way deviated during all of said time from the requirements of said Chapter, nor from the

regulations and rules prescribed by the Secretary of Agriculture, and that during the entire period said receipts were issued by plaintiff as an instrumentality of the United States in Interstate Commerce.

Said receipts so issued complied with the requirements of said Chapter and of the rules and regulations issued by the Secretary of Agriculture, and that pursuant to the requirement of said Chapter and of its bond, this plaintiff has kept in a place of safety complete and perfect records of all agricultural products, to-wit, cotton, stored therein and withdrawn therefrom and of all warehouse receipts issued in return and cancelled and has continuously reported to the Secretary of Agriculture concerning such warehouse at Cleveland, its condition, contents, operation and business in such form and at such time as the Secretary of Agriculture did require, and has conducted said warehouse under said Chapter from, to-wit, 1925, up until the present time and especially since May 1, 1932, and will continue to so conduct said warehouse in strict compliance with said Chapter and the rules and regulations made thereunder.

Thereasto the said Secretary of Agriculture is authorized to and has heretofore caused examinations to be made of the products stored, to-wit, cotton, and likewise has ex- [fol. 27] amined and will continue so to do, all books, records, papers and accounts of warehouse, and likewise has made full rules and regulations pursuant to the power of Congress in virtue of the express provisions of the Federal Constitution.

Plaintiff therefore avers that its said warehouse has been and is a licensed Federal instrumentality in Interstate and foreign commerce in cotton and has been heretofore since 1925, and is still such instrumentality, and plaintiff avers that such warehouses are necessary and essential as instrumentalities for the origination, preservation and conservation of said Interstate Commerce, and that as part of said warehouses there is usually, and in this case, actually, a plant equipped with machinery designated to press said bales of cotton for the purpose of reducing the size so that movement may be had in interstate and foreign commerce.

When cotton is tendered to plaintiff at said plant, it is received by plaintiff solely in its capacity as a Federal licensed warehouse and not otherwise, and therefor is issued

said form or receipt approved by and prescribed by the Secretary of Agriculture, the same being strictly in accordance with the provisions of said chapter, and thereunder the cotton continues to move in interstate commerce.

Congress was lawfully authorized to pass said statute and the Interstate Commerce Act as well, with its amendments, by reason of the movement of cotton in interstate and foreign commerce, and this has been well recognized continuously. Plaintiff complied with all of the terms of said United States Warehouse Act and the rules and regulations prescribed thereunder, and according to the universal custom of the country, said cotton is stored solely for interstate and foreign commerce, and none of it, so far as plaintiff knows, for intrastate movement. The power of [fol. 28] Congress to affect by provisions of said Act and by the Interstate Commerce Act the said cotton so handled and stored thus arises from the fact that it and all of it at May 1, 1932, and prior thereto, as well as since then, has been handled and stored by the plaintiff for interstate and foreign commerce and in such commerce, and that the Congress in exercising said power granted by the Constitution has reserved to itself exclusive power and jurisdiction, and divested the State of Mississippi of any power thus to tax the interstate and foreign movement of cotton by privilege tax, and especially the business of this plaintiff of a Federal Warehouseman under said United States Warehouse Act; that upon the receipt of said cotton plaintiff thereupon issues to the party so delivering its warehouse receipts, as authorized by said Act of Congress and by the rules and regulations of the Secretary of Agriculture, and this cotton so thus placed is universally sold upon the market by the transfer and delivery of said warehouse receipts, in accordance with the terms of said Act of Congress and the rules and regulations of the Secretary of Agriculture, said warehouse receipts so thus issued being sole evidence of ownership therein, and that said warehouse receipts represent said movement of said cotton.

Plaintiff avers that all cotton by it handled is in interstate and/or foreign commerce and is handled strictly in said Warehouse as found by the Federal District Court, in said Matthews v. Rodgers, sitting as a Court to determine the facts as to cotton, and that plaintiff says that as a Federal Instrumentality in interstate commerce under the

United States Warehouse Act, the State of Mississippi has no power to prohibit the plaintiff from carrying on said business and denying it the right so to do, this being a Federal Privilege and derived from the Constitution of the [fol. 29] United States, and that it was and is unconstitutional for the State of Mississippi to exact of and from the plaintiff for the exercise of this Federal right a privilege tax in the sum of $75.00 and to prohibit plaintiff from engaging in said interstate and foreign commerce without the prepayment of said privilege tax, and failing to pay said privilege tax for the exercise of said Federal privilege, to make of this plaintiff a common criminal and to subject it and its officers to fine and imprisonment.

Notwithstanding that this plaintiff is such Federal instrumentality, the State of Mississippi has so done, and there in effect upon May 1, 1932, and continuously since, its certain privilege tax statute whereunder this plaintiff was and still is prohibited from discharging this federal function wherefor it has been lawfully licensed unless it pay to the State of Mississippi therefor annually the sum of $75.00, its capacity being as hereinbefore set forth, and that unlawfully, upon May 1, 1932, under said Act of the State of Mississippi, said McLean, as Sheriff and Tax Collector unlawfully exacted of this plaintiff $75.00 for the conduct of said warehousing business, as hereinbefore delineated, and then and there the State of Mississippi threatened, and unless said payment would have been made, would have declared and adjudged the plaintiff guilty of a crime for the conduct of said lawful interstate business, which it, plaintiff, had a right to do in virtue of the Constitution of the United States.

This plaintiff, on May 1, 1932, under pains and penalties threatened, as aforesaid, and to avoid being charged common criminal, then and there paid to said McLean, as Sheriff and Tax Collector, under protest, said sum of $75.00, advising the said McLean that the amount was paid [fol. 30] under protest and was exacted unlawfully, and that a copy of the receipt so issued by McLean therefor is hereto annexed, marked Exhibit "F", and made a part hereof as if fully copied herein. Said McLean as such Sheriff and Tax Collector, had no authority under the Constitution of the United States, to collect said sum or any part thereof, in this that that solely done by plaintiff at

said warehouse was and continues to be interstate commerce as licensed by the Federal Government, and by reason of such license and said interstate commerce, there accrued unto plaintiff the right to have, demend and recover of and from said McLean, as Sheriff and Tax Collector, and from the surety on his bond, Exhibit A, said sum of $75.00.

Wherefor, plaintiff hereby sues and demands judgment.

II

And for a further, additional and second cause of action, plaintiff reiterates and re-alleges by adoption to save prolixity, each and everything hereinbefore set out in the first count down to the paragraph beginning "Notwithstanding that this Plaintiff is such Federal Instrumentality", and here realleges every averment in said first count, and adds thereto the following:

Plaintiff says that the business of compression of said cotton as hereinbefore defined was and is interstate commerce, and its charges therefor are solely paid by the interstate carrier out of the interstate rates, the privilege of compression being published as a privilege existing under [fol. 31] the Act to Regulate Commerce, and the amendments thereto, and the plaintiff says that without said compression, cotton may not move in interstate commerce without undue burden, in this that due to its density, it would occupy so much space as that it could not be economically carried, and has to be compressed, and by reason of compression, occupies approximately one-third of the amount of space that would otherwise be the case, and plaintiff says that to prohibit com*r*pession would be to unduly burden interstate commerce.

Plaintiff says that this method of compression was and has been well known for many years last past and that said compression is had only for cotton moving in interstate and foreign commerce and not for cotton moving in the State of Mississippi, and yet, notwithstanding the right of the interstate carriers to so thus move cotton in interstate commerce, the State of Mississippi unlawfully sought and still seeks to exact from said carriers and from this plaintiff a privilege tax for the conduct of said compress and disregarding the rights of this plaintiff under the Federal

Constitution as to Interstate Commerce, said State has undertaken to impose a privilege tax upon said compress at Cleveland and through its officers, E. R. McLean, Sheriff & Tax Collector, has unlawfully exacted of and from this plaintiff the payment of the sum of $400.00 for the doing of said compress business at Cleveland where plaintiff owns said compress, and that pursuant to said exaction, whereas to plaintiff by adoption makes the same averments as were made in Count I hereof as to warehousing, the plaintiff was compelled to pay and did pay under protest said privilege [fols. 32 & 32a] tax of $400.00, as shown by the privilege tax receipt hereto annexed, marked Exhibit "G" and made part hereof as if fully copied herein; said payment having been made under protest as hereinbefore set out, an action to recover the same accrued against said McLean for his unlawful act and against the surety on his official bond, and therefor this plaintiff hereby sues and demands judgment.

Wherefore, said defendants being thus indebted to said plaintiff in said sum of $475.00, by reason of said illegal exactions hereinbefore delineated, undertook and promised to pay the same, but so to do have wholly failed and refused and have failed to pay any part thereof.

Wherefor plaintiff sues and demands judgment.

Green, Green & Jackson (Jackson, Miss.), Attorneys for Plaintiff.

---

[fol. 32b] EXHIBIT "B" TO DECLARATION

Department of Agriculture, Washington

Pursuant to Section 661, Title 28, of the United States Code, I hereby certify that the following and annexed are true, correct and compared copies of warehouseman's license No. 2-951, issued to Federal Compress & Warehouse Company of Wilmington, Delaware, under date of December 21, 1931, by the Secretary of Agriculture, to cover its cotton warehouse located at Cleveland, Mississippi; letter to Federal Compress & Warehouse Company, Memphis, Tennessee, dated June 1, 1932, notifying that company in accordance with regulation of the acceptance of its bond dated May 11, 1932, for Fifty Thousand Dollars ($50,000.00), and continuing its licenses in the State of Mississippi in effect

for a period of one year; and warehouseman's bond dated May 11, 1932, executed by Federal Compress & Warehouse Company, Wilmington, Delaware, as principal, and United States Fidelity & Guaranty Company, as surety, in the penal sum of Fifty Thousand Dollars ($50,000.00), on file in the Bureau of Agricultural Economics of the United States Department of Agriculture at Washington, D. C.

Witness my hand and the seal of the United States Department of Agriculture this 10th day of October, 1932.

C. F. Marvin, Acting Secretary of Agriculture. (Seal United States Department of Agriculture.)

[fol. 32b-1] W. A. Form No. 4 C, Corporation. General
M. M. C. 2-948

United States Department of Agriculture, Bureau of Agricultural Economics

United States Warehouse Act

(39 Stat., 486)

Warehouseman's Bond

Know all men by these presents, that we, Federal Compress & Warehouse Company, a corporation organized and existing under the laws of the State of Delaware, and having its principal place of business in the City of Wilmington, State of Delaware, and conducting the Federal Compress Warehouses, twenty-one (21) cotton warehouses, as per attached list, in the State of Mississippi, as principal, and the other subscriber hereto, as surety, are held and firmly bound unto the United States of America in the penal sum of Fifty Thousand Dollars ($50,000.00), for the payment of which, well and truly to be made, we bind ourselves, and our successors and assigns, jointly and severally, firmly by these presents.

Sealed with our seals and dated this 11th day of May, 1932.

The conditions of this obligation are such that,

Whereas, the above-bound principal has applied to the Secretary of Agriculture of the United States of America for licenses or a continuation of licenses for the conduct of cotton warehouses under the United States warehouse Act of August 11, 1916 (39 U. S. Stats. at L., p. 486), as amended, and the regulations for cotton warehouses prescribed thereunder; and

Whereas, the said principal has agreed, and does hereby agree, as a condition to the granting of the said licenses, to comply with and abide by the terms of the said United States warehouse Act and the regulations for cotton warehouses prescribed thereunder, so far as the same may relate to it; and

Whereas, the said United States warehouse Act provides that each warehouseman applying for a license to conduct a warehouse in accordance with the terms thereof shall, as a condition to the granting of the license, execute and file with the Secretary of Agriculture a good and sufficient bond to the United States, to secure the faithful performance of its obligations as a warehouseman under the terms of the [fol. 32b-2] said United States warehouse Act and the said regulations for cotton warehouses prescribed thereunder, and of such additional obligations as a warehouseman as may be assumed by it under contracts with the respective depositors of cotton in such licensed warehouse;

Now, therefore, if the said licenses or any amendments thereto are granted and said principal shall faithfully perform all of its obligations as a licensed warehouseman relating to transactions entered into during the period of one year commencing June 1, 1932, under the terms of the said United States warehouse Act and the regulations for cotton warehouses prescribed thereunder, and such additional obligations as a warehouseman as may be assumed by it during the period aforesaid under contracts with the respective depositors of cotton in such licensed warehouses, then this obligation shall be null and void and of no effect, otherwise to be and remain in full force and virtue.

In witness whereof, the said principal and surety have exceuted this instrument on the day and year above written.

Federal Compress & Warehouse Company, Principal,
by R. L. Taylor, President. (Corporate Seal.)

Witnesses to signature and seal of principal:

| Name | Address |
|---|---|
| E. E. Barnes, | Memphis, Tennessee. |
| N. W. Pannill, | " " |

United States Fidelity & Guaranty Company, Surety, by W. V. Ludlam, Attorney in Fact. (Signature Resident State Agent of Bonding Company), W. V. Ludlam. (Corporate Seal.)

Witnesses to signature and seal of surety:

| Name | Address |
|---|---|
| Otho R. Smith, | Meridian, Miss. |
| L. S. Russell, | Meridian, Miss. |

[fol. 32b-3] List of Warehouses Operated by the Federal Compress & Warehouse Company in the State of Mississippi and to be Covered by the Bond Furnished, under the U. S. Warehouse Act, by the said Company, Effective June 1, 1932

| Town | County | State |
|---|---|---|
| Aberdeen | Monroe | Mississippi. |
| Canton | Madison | " |
| Clarksdale | Coahoma | " |
| Cleveland | Bolivar | " |
| Como | Panola | " |
| Corinth | Alcorn | " |
| Drew | Sunflower | " |
| Greenwood | Leflore | " |
| Grenada | Grenada | " |
| Holly Springs | Marshall | " |
| Inverness | Sunflower | " |
| Jackson | Hinds | " |
| Macon | Noxubee | " |
| Marks | Quitman | " |
| Moorhead | Sunflower | " |
| New Albany | Union | " |
| Ruleville | Sunflower | " |
| Shaw | Bolivar | " |
| Shelby | Bolivar | " |
| Tutwiler | Tallahatchie | " |
| West Point | Clay | " |

[fol. 32b-4] Affidavit as to Principal

STATE OF TENNESSEE,
County of Shelby, ss:

On this 11th day of May, 1932, before me personally appeared C. C. Patten, to me personally known, who, being by me duly sworn, deposes and says: That he resides at Memphis, in the State of Tennessee; that he is the Asst. Secretary (Secretary) of the Federal Compress & Ware-

house Company, the corporation described in and which executed the foregoing bond as principal, and as such has custody of its records and seals; that said corporation was organized under the laws of the State of Delaware; that he knows the corporate seal of said corporation; that the corporate seal affixed to said instrument is such corporate seal and was thereto affixed by order of its board of directors; that R. L. Taylor is the president of said corporation and was duly authorized to execute said instrument on its behalf; and that deponent knows the signature of said officer and the signature affixed to such instrument is his signature.

(Signature of deponent) C. C. Patten, Asst. Secretary.

Subscribed and sworn to before me on the date above written. My commission expires Jan. 22nd, 1933. B. M. Hart, Notary Public. (Notary's Seal to be Placed Here.)

In accordance with the regulations for cotton warehouses under the United States warehouse Act, the foregoing bond is hereby approved. Done in the City of Washington this first day of June, 1932.

By direction of the Secretary of Agriculture.

C. W. Kitchen, Acting Chief, Bureau of Agricultural Economics. S. G. S.

[fols. 32b-5] Copy

June 1, 1932.

Federal Compress & Warehouse Company, Memphis, Tennessee.

GENTLEMEN: This is to advise that your bond dated May 11, 1932, in the amount of $50,000, given to secure your obligations as a warehouseman under the United States Warehouse Act, has been accepted and approved.

Your present licenses as listed below will continue in effect indefinitely upon condition that you furnish the required bond annually on or before May 31.

The capacities of the licensed warehouses remain fixed at the amounts indicated in each license and as set forth below. To store in excess of such amounts at any one time without

first securing permission from the Department is contrary to the regulations.

The license numbers, names, locations, and capacities of the warehouses covered by this bond are as follows:

| License No. | Name of warehouse | Location | Capacity in bales of cotton |
|---|---|---|---|
| 2- 948 | Federal Compress Warehouse.... | Aberdeen, Miss..... | 10,000 |
| 2- 949 | Federal Compress Warehouse.... | Canton, Miss..... | 26,000 |
| 2- 950 | Federal Compress Warehouse.... | Clarksdale, Miss..... | 105,000 |
| 2- 951 | Federal Compress Warehouse.... | Cleveland, Miss..... | 36,000 |
| 2-1071 | Federal Compress Warehouse.... | Como, Mississippi.... | 11,000 |
| 2-1072 | Federal Compress Warehouse.... | Corinth, Miss..... | 28,000 |
| 2-1024 | Federal Compress Warehouse.... | Drew, Miss..... | 18,000 |
| 2- 952 | Federal Compress Warehouse.... | Greenwood, Miss..... | 40,000 |
| 2- 954 | Federal Compress Warehouse.... | Holly Springs, Miss... | 18,000 |
| 2-1123 | Federal Compress Warehouse.... | Inverness, Miss..... | 8,000 |
| 2- 955 | Federal Compress Warehouse.... | Jackson, Miss..... | 35,000 |
| 2-1073 | Federal Compress Warehouse.... | Macon, Miss..... | 12,000 |
| 2-1111 | Federal Compress Warehouse.... | Moorhead, Miss..... | 4,000 |
| 2-1074 | Federal Compress Warehouse.... | New Albany, Miss.... | 15,000 |
| 2- 960 | Federal Compress Warehouse.... | Ruleville, Miss..... | 20,000 |
| 2-1066 | Federal Compress Warehouse.... | Shelby, Miss..... | 7,500 |
| 2-1099 | Federal Compress Warehouse.... | Tutwiler, Miss..... | 8,000 |
| 2- 962 | Federal Compress Warehouse.... | West Point, Miss..... | 11,000 |

Very truly yours, (S.) C. W. Kitchen, Acting Chief of Bureau.

---

[fol. 32c] EXHIBIT "C" TO DECLARATION

Copy

W. A. Form No. 3. General

United States Department of Agriculture

United States Warehouse Act

Amended License No. 2-951

Federal Compress & Warehouse Company, of Wilmington, Delaware, is hereby licensed in accordance with the United States Warehouse Act and the Regulations for cotton warehouses thereunder to conduct the Federal Compress Warehouse, located in Cleveland, County of Bolivar, State of Mississippi, and composed of the following:

Building No. 1, a one-story, four compartment (Nos. 1, 2, 3 and 4), frame warehouse, situated west of the main line of the Yazoo and Mississippi Valley Railroad; and

Building No. 2, approximately 180 ft. by 350 ft., which is a one-story, one-compartment, frame and iron-clad building, known as "Compartment No. 5". This building is situated on the west side of U. S. Highway No. 61 and west of Building No. 1 described above.

Said warehouseman is authorized to store not in excess of 36,000 bales at any one time.

This license is subject to modification, extension, suspension, or cancellation. It may be terminated by the Secretary of Agriculture any year should said warehouseman fail to furnish annually on or before May 31 such bond for the ensuing year as is required by the Act and Regulations.

In testimony whereof, I have hereunto set my hand and caused the official seal of the Department of Agriculture to be affixed in the City of Washington this twenty-first day of December, 1931.

Arthur W. Hyde, Secretary of Agriculture. Countersigned: C. W. Kitchen, Acting Chief, Bureau of Agricultural Economics. (Seal United States Department of Agriculture.)

---

[fols. 32d & 32d-1] EXHIBIT "D" TO DECLARATION

United States Department of Agriculture

Service and Regulatory Announcements No. 76

(Agricultural Economics)

Regulations of the Secretary of Agriculture under the United States Warehouse Act of August 11, 1916, as Amended

Revised Regulations for Cotton Warehouses

Approved April 28, 1926

Issued May, 1926

[fol. 32d-2] United States Department of Agriculture, Office of the Secretary

By virtue of the authority vested in the Secretary of Agriculture by the United States warehouse act, approved

August 11, 1916 (39 U. S. Stat. L., pp. 446, 486), as amended, I, W. M. Jardine, Secretary of Agriculture, do make, prescribe, publish, and give public notice of the following rules and regulations, to be known as the regulations for cotton warehouses, and to be in force and effect until amended or superseded by rules and regulations hereafter made by the Secretary of Agriculture under said act. These rules and regulations shall supersede all rules and regulations issued under said act heretofore for cotton warehouses.

In testimony whereof I have hereunto set my hand and caused the official seal of the Department of Agriculture to be affixed in the city of Washington this 28th day of April, 1926.

W. M. Jardine, Secretary of Agriculture. (Seal.)

[fol. 32d-3] Regulations for Cotton Warehouses under the United States Warehouse Act

## Regulation 1. Definitions

### Words Import Singular or Plural

Section 1. Words used in these regulations in the singular form shall be deemed to import the plural, and vice versa, as the case may demand.

### Terms Defined

Sec. 2. For the purposes of these regulations, unless the context otherwise require, the following terms shall be construed, respectively, to mean—

### The Act

Paragraph 1. The Act.—The United States warehouse act, approved August 11, 1916 (39 U. S. Stat. at L., pp. 446, 486), as amended by acts of Congress approved July 24, 1919, and February 23, 1923.

### Person

Paragraph 2. Person.—An individual, corporation, partnership, or two or more persons having a joint or common interest.

### Secretary

Paragraph 3. Secretary.—The Secretary of Agriculture of the United States.

Regulations

Paragraph 4. Regulations.—Rules and regulations made under the act by the Secretary.

Bureau of Agricultural Economics

Paragraph 5. Bureau.—The Bureau of Agricultural Economics of the United States Department of Agriculture.

Linters

Paragraph 6. Linters.—As far as applicable these regulations shall include linters.

Warehouse

Paragraph 7. Warehouse.—Any building, structure, or other protected inclosure in which cotton is or may be stored for interstate or foreign commerce, or, if located within any place under the exclusive jurisdiction of the United States, in which cotton is or may be stored.

Warehouseman

Paragraph 8. Warehouseman.—A person lawfully engaged in the business of storing cotton.

License

Paragraph 9. License.—A license issued under the act by the Secretary.

[fol. 32d-4] Licensed warehouseman

Paragraph 10. Licensed warehouseman.—A warehouseman licensed as such under the act.

Licensed warehouse

Paragraph 11. Licensed warehouse.—A warehouse for the conduct of which a license has been issued.

Licensed warehouseman's bond

Paragraph 12. Licensed warehouseman's bond.—A bond required to be given under the act by a licensed warehouseman.

Licensed classifier

Paragraph 13. Licensed classifier.—A person licensed under the act to classify according to grade or otherwise and certificate the grade or other class of cotton.

Licensed weigher

Paragraph 14. Licensed weigher.—A person licensed under the act to weigh and certificate the weight of cotton.

Cotton examiner

Paragraph 15. Cotton examiner.—An officer of the Department of Agriculture designated by the chief of the bureau for the purpose of hearing cotton appeals under regulation 9.

Receipt

Paragraph 16. Receipt.—A warehouse receipt.

Bale

Paragraph 17. Bale.—A bale or other package.

State

Paragraph 18. State.—A State, Territory, or District of the United States.

Regulation 2. Warehouse Licenses

Application forms

Section 1. Applications for licenses under sections 4 and 9 of the act and for modifications or extensions of licenses under section 5 of the act shall be made to the Secretary upon forms prescribed for the purpose and furnished by the bureau, shall be in English, shall truly state the information therein contained, and shall be signed by the applicant. The applicant shall at any time furnish such additional information as the Secretary or the chief of the bureau shall find to be necessary to the consideration of his application by the Secretary.

Grounds for not issuing license

Sec. 2. A license for the conduct of a warehouse shall not be issued if it be found by the Secretary that the warehouse

is not suitable for the proper storage of cotton, that the warehouseman is incompetent to conduct such warehouse in accordance with the act and these regulations, or that there is any other sufficient reason within the purposes of the act for not issuing such license.

### Net assets required

Sec. 3. The warehouseman conducting a warehouse licensed or for which application for license has been made, shall have and maintain above all exemptions and liabilities net assets liable for the payment of any indebtedness aris- [fol. 32d 5] ing from the conduct of the warehouse, to the extent of at least $5 per bale of the maximum number of bales that the warehouse will accommodate when stored in the manner customary to the warehouse as determined by the chief of the bureau, except that the amount of such assets shall not be less than $5,000, and need not be more than $100,000. In case such warehouseman has applied for licenses to conduct two or more warehouses in the same State, the assets applicable to all of which shall be subject to the liabilities of each, such warehouses shall be deemed to be one warehouse for the purposes of the assets required under this section. For the purposes of this section only, paid-in capital stock, as such, shall not be considered a liability. Any deficiency in the required net assets may be supplied by an increase in the amount of the warehouseman's bond in accordance with paragraph 2 of section 2 of regulation 3.

### License shall be posted

Sec. 4. Immediately upon receipt of his license or of any modification or extension thereof under the act, the warehouseman shall post the same, and thereafter, except as otherwise provided in these regulations, keep it posted until suspended or terminated, in a conspicuous place in the principal office where receipts issued by the warehouseman are delivered to depositors.

### Suspension, cancellation, or revocation of warehouse licenses

Sec. 5. Pending investigation, the Secretary, whenever he deems necessary, may suspend a warehouseman's license temporarily without hearing. Upon written re-

quest and a satisfactory statement of reasons therefor, submitted by a warehouseman, the Secretary may, without hearing, suspend or cancel the license issued to such warehouseman. The Secretary may after opportunity for hearing when possible has been afforded in the manner prescribed in this section, suspend or cancel a license issued to a warehouseman, when such warehouseman (a) is bankrupt or insolvent; (b) has parted, in whole or in part, with his control over the licensed warehouse; (c) is in process of dissolution or has been dissolved; (d) has ceased to conduct such licensed warehouse; or (e) has in any other manner become nonexistent or incompetent or incapacitated to conduct the business of the warehouse. Whenever any of the conditions mentioned in subdivisions (a) to (e) of this section shall come into existence, it shall be the duty of the warehouseman to notify immediately the chief of the bureau of the existing condition. [fol. 32d-6] Before a license is suspended, revoked, or canceled for any violation of, or failure to comply with, any provision of the act or of these regulations, or upon the ground that unreasonable or exorbitant charges have been made for services rendered, the warehouseman involved shall be furnished by the Secretary, or by an official of the Department of Agriculture designated for the purpose, a written statement specifying the charges and shall be allowed a reasonable time within which he may answer the same in writing and apply for a hearing, an opportunity for which shall be afforded in accordance with regulation 10, section 4.

### Return of suspended, revoked, or canceled warehouse license

SEC. 6. In case a license issued to a warehouseman terminates or is suspended, revoked, or canceled by the Secretary, such license shall be returned to the Secretary when requested. At the expiration of any period of suspension of such license, unless it be in the meantime revoked or canceled, the dates of the beginning and termination of the suspension shall be indorsed thereon, it shall be returned to the warehouseman to whom it was originally issued, and it shall be posted as prescribed in section 4 of this regulation; or in the discretion of the chief of the Bureau of Agricultural Economics a new license may be issued.

Lost or destroyed warehouse license

SEC. 7. Upon satisfactory proof of the loss or destruction of a license issued to a warehouseman, a duplicate thereof may be issued under the same or a new number at the discretion of the Secretary.

Unlicensed warehousemen must not represent themselves as licensed

SEC. 8. No warehouse or its warehouseman shall be designated as licensed under the act and no name or description conveying the impression that it or he is so licensed shall be used, either in a receipt or otherwise, unless such warehouseman holds an unsuspended, unrevoked, and uncanceled license for the conduct of such warehouse.

Regulation 3. Warehouse Bonds

Time of filing

SECTION 1. Unless the warehouseman has previously filed with the Secretary the bond required by section 2 of this regulation, he shall file such bond within a time, if any specified by the Secretary, said bond to cover all obligations arising thereunder during the period of the license.

Amount based on storage capacity

SEC. 2. Paragraph 1. Exclusive of any amount which may be added in accordance with paragraphs 2 and 3 of this section, the amount of such bond shall be at the rate of $5 per bale of the maximum number of bales that the [fol. 32d-7] warehouse will accommodate when stored in the manner customary to the warehouse for which such bond is required, as determined by the chief of the bureau, but not less than $5,000 nor more than $50,000. In case a warehouseman has applied for licenses to conduct two or more warehouses in the same State, the assets applicable to all of which shall be subject to the liabilities of each, and shall desire to give a single bond meeting the requirements of the act and these regulations for the said warehouses, such warehouses shall be deemed to be one warehouse for the purposes of the bond required under this regulation.

Additional amount for deficiency in net assets

Paragraph 2. In case of a deficiency in net assets under regulation 2, section 3, there shall be added to the amount of the bond determined in accordance with paragraph 1 of this section an amount equal to such deficiency.

Additional amount for special conditions

Paragraph 3. In case the Secretary finds the existence of conditions warranting such action, there shall be added to the amount determined in accordance with paragraphs 1 and 2 of this section a further amount, fixed by him, to meet such conditions.

Modification or extension bond

SEC. 3. In case an application is made under regulation 2, section 1, for a modification or an extension of a license and no bond previously filed by the warehouseman under this regulation covers obligations arising under such modification or extension, the warehouseman shall, when notice has been given by the Secretary that such modification or extension will be granted upon compliance by such warehouseman with the act, file with the Secretary, within a time, if any, fixed in such notice, a bond complying with the act. In the discretion of the Secretary, a properly executed instrument in form approved by him, amending, extending, or continuing in force and effect the obligations of a valid bond previously filed by the warehouseman and otherwise complying with the act and these regulations may be filed in lieu of a new bond.

New bond required each year

SEC. 4. Whenever a license has been issued for a period longer than one year, such license shall not be effective beyond one year from its effective date unless the warehouseman shall have filed a new bond in the required amount with, and such bond shall have been approved by, [fol. 32d-8] the Secretary prior to the date on which said license would have expired had it been issued for but one year, subject to the provisions of section 3 of this regulation.

### Approval of bond

SEC. 5. No bond, amendment, or continuation thereof shall be accepted for the purposes of the act and these regulations until it has been approved by the Secretary.

## Regulation 4. Warehouse Receipts

### Contents of negotiable and non-negotiable receipts

SECTION 1. Paragraph 1. Every receipt, whether negotiable or non-negotiable, issued for cotton stored in a licensed warehouse shall, in addition to complying with the requirements of section 18 of the act, embody within its written or printed terms the following: (a) The name of the licensed warehouseman and the designation, if any, of the warehouse; (b) the license number of the warehouse; (c) a statement whether the warehouseman is incorporated or unincorporated, and, if incorporated, under what laws; (d) the tag number given to each bale of cotton in accordance with regulation 5, section 9; (e) a statement conspicuously placed, whether or not the cotton is insured, and, if insured, to what extent, by the warehouseman, against loss by fire and lightning; (f) the words "Not Negotiable" or "Negotiable," according to the nature of the receipt, clearly and conspicuously printed or stamped thereon; and (g) a blank space designated for the purpose in which the length of staple may be stated.

### Storage period

Paragraph 2. Every receipt, whether negotiable or non-negotiable, issued for cotton stored in a licensed warehouse shall specify a period, not exceeding one year, for which the cotton is accepted for storage under the act and these regulations, but, upon demand and the surrender of the old receipt by the lawful holder thereof at or before the expiration of the specified period, the warehouseman, so far as the available capacity of his warehouse then permits and upon such lawful terms and conditions as may be granted by him at such time to other depositors of cotton in the warehouse shall, (a) if he then continue to act as a licensed warehouseman, either extend the old receipt by making an appropriate notation thereon or issue a new receipt for a further specified period not exceeding one

year; or (b) if he then continue to act as a public warehouseman, but not as a licensed warehouseman, issue a new receipt.

[fol. 32d-9] Additional contents of negotiable receipts

Paragraph 3. Every negotiable receipt issued for cotton stored in a licensed warehouse shall, in addition to complying with the requirements of paragraphs 1 and 2 of this section, embody within its written or printed terms the following: (a) If the cotton covered by such receipt was classified by a licensed classifier or weighed by a licensed weigher a statement to that effect, (b) a form of indorsement which may be used by the depositor, or his authorized agent, for showing the ownership of, and liens, mortgages, or other encumbrances on, the cotton covered by the receipt.

Grade or other class of cotton

Paragraph 4. Whenever the grade or other class of the cotton is required to be, or is, stated in a receipt issued for cotton stored in a licensed warehouse, such grade or other class shall be stated in the receipt in accordance with regulation 8 as far as applicable.

Omission of grade to be stated

Paragraph 5. If a warehouseman issue a receipt omitting the statement of grade on request of the depositor, such receipt shall have clearly and conspicuously stamped or written on the face thereof the words "Not graded on request of depositor."

Receipts for linters to be marked "Linters"

Paragraph 6. If licensed receipts are issued covering linters such receipts shall be clearly and conspicuously marked "Linters," and all references to cotton shall be eliminated effectively from the receipts.

Blank spaces in receipts to be filed out by drawing lines through them

Paragraph 7. If a warehouseman issue a receipt under the act omitting any information not required to be stated, for which a blank space is provided in the form of the re-

ceipt, a line shall be drawn through such space to show that such omission has been made by the warehouseman.

Copies of receipts

Sec. 2. If copies are made of receipts, all such copies, except those issued in lieu of the original in case of lost or destroyed receipts, shall, if there be no statute of the United States or law of a State providing otherwise, have clearly and conspicuously printed or stamped thereon the words "Copy—Not Negotiable." If copies are not made then skeleton copies bearing the same numbers as the corresponding original receipts shall be made, but such skeleton copies need not be marked "Copy—Not Negotiable."

Lost or destroyed receipts.

Sec. 3. Paragraph 1. In the case of a lost or destroyed receipt, if there be no statute of the United States or law of a State applicable thereto, a new receipt upon the same terms, subject to the same conditions, and bearing on its face the number and the date of the receipt in lieu of which it is issued and a plain and conspicuous statement that it is a duplicate issued in lieu of a lost or destroyed receipt, [fol. 32d-10] may be issued upon compliance with the conditions set out in paragraph 2 of this section.

Affidavit of loss or destruction of receipts. Bond.

Paragraph 2. Before issuing such duplicate receipt the warehouseman shall require the depositor or other person applying therefor to make and file with the warehouseman (a) an affidavit showing that he is lawfully entitled to the possession of the original receipt, that he has not negotiated or assigned it, how the original receipt was lost or destroyed, and, if lost, that diligent effort has been made to find the receipt without success, and (b) a bond in an amount double the value, at the time the bond is given, of the cotton represented by the lost or destroyed receipt. Such bond shall be in a form approved for the purpose by the Secretary, shall be conditioned to indemnify the warehouseman against any loss sustained by reason of the issuance of such duplicate receipt, and shall have as surety

thereon (a) a surety company which is authorized to do business, and is subject to service of process in a suit on the bond, in the State in which the warehouse is located, or (b) at least two individuals who are residents of such State and each of whom owns real property therein having a value, in excess of all exemptions and encumbrances, to the extent of double the amount of the bond.

### Printing of receipts

Sec. 4. No receipt shall be issued by a licensed warehouseman except it be (a) in form prescribed by the chief of the bureau, (b) upon distinctive paper specified by him, (c) printed by a printer with whom the United States has a subsisting contract and bond for such printing, and (d) on paper manufactured by and procured from a manufacturer with whom the United States has a subsisting contract and bond for the manufacture of such paper.

### Partial delivery of cotton

Sec. 5. If a warehouseman deliver a part only of a lot of cotton for which he has issued a negotiable receipt under the act, he shall take up and cancel such receipt and issue a new receipt in accordance with these regulations for the undelivered portion of the cotton.

### Return and cancellation of receipts before delivery of cotton

Sec. 6. Except as permitted by law or by these regulations, a warehouseman shall not deliver cotton for which he has issued a negotiable receipt under the act until such receipt has been returned to him and canceled; and shall not deliver cotton for which he has issued a non-negotiable receipt until such receipt has been returned to him or he has obtained from the person lawfully entitled to such delivery, [fol. 32d-11] or his authorized agent, a written acknowledgment thereof.

### Warehouseman not to attempt to compel grade to be omitted

Sec. 7. No licensed warehouseman shall, directly or indirectly by any means whatsoever, compel or attempt to

compel the depositor of any cotton in his warehouse to request the issuance of a receipt omitting the statement of grade.

### Regulation 5. Duties of Licensed Warehouseman

#### Insurance against fire or lightning

Section 1. Paragraph 1. Each licensed warehouseman, when so requested in writing as to any cotton by the depositor thereof or lawful holder of the receipt covering such cotton, shall, to the extent to which in the exercise of due diligence he is able to procure such insurance, keep such cotton while in his custody as a licensed warehouseman insured in his own name or arrange for its insurance otherwise to the extent so requested, against loss or damage caused by fire or lightning. When insurance is not carried in the warehouseman's name, the receipt shall show that the cotton is not insured by the warehouseman. Such insurance shall be covered by lawful policies issued by one or more insurance companies authorized to do such business, and subject to service of process in suits brought, in the State where the warehouse is located. If the warehouseman is unable to procure such insurance to the extent requested, he shall, orally or by telegraph or by telephone and at his own expense, immediately notify the person making the request of the fact. Nothing in this section shall be construed to prevent the warehouseman from adopting a rule that he will insure all cotton stored in his warehouse.

#### Notice regarding insurance to be posted

Paragraph 2. Each warehouseman shall keep exposed conspicuously in the place prescribed by regulation 2, section 4, and at such other place as the chief of the bureau or his representative may from time to time designate, a notice, stating briefly the conditions under which the cotton will be insured against loss or damage by fire or lightning.

#### Premiums, inspections, and reports

Sec. 2. Each warehouseman shall, in accordance with his contracts with insurance and bonding companies for the purpose of meeting the insurance and bonding requirements of these regulations, pay such premiums, permit

such reasonable inspections and examinations, and make such reasonable reports as may be provided for in such contracts.

[fol. 32d-12] Warehouseman to collect and pay over insurance

Sec. 3. Each warehouseman shall promptly take such steps as may be necessary and proper to collect any moneys which may become due under contracts of insurance entered into by him for the purpose of meeting the requirements of these regulations, and shall, as soon as collected, promptly pay over to the persons concerned any portion of such moneys which they may be entitled to receive from him.

Care of cotton in licensed warehouse

Sec. 4. Each warehouseman shall at all times exercise such care in regard to cotton in his custody as a reasonably careful owner would exercise under the same circumstances and conditions.

Care of other cotton and other commodities

Sec. 5. If, at any time, a warehouseman shall handle or store cotton otherwise than as a licensed warehouseman, or shall handle or store any other commodity, he shall so protect the same, and otherwise exercise such care with respect to it, as not to endanger the cotton in his custody as a licensed warehouseman or impair his ability to meet his obligations and perform his duties under the act and these regulations. Nonlicensed cotton shall be kept separate from licensed cotton.

Records to be kept in safe place

Sec. 6. Each warehouseman shall provide a metal fireproof safe, a fireproof vault, or a fireproof compartment in which he shall keep, when not in actual use, all records, books, and papers pertaining to the licensed warehouse, including his current receipt book, copies of receipts issued and canceled receipts, except that with the written consent of the chief of the bureau or his representative, upon a showing by such warehouseman that it is not practicable to provide such fireproof safe, vault, or compartment, he may

keep such records, books, and papers in some other place of safety, approved by the chief of the bureau or his representative. All canceled receipts shall be arranged by the warehouseman in numerical order as soon as possible after their cancellation and shall be preserved in numerical order thereafter.

### Warehouse charges

Sec. 7. A warehouseman shall not make any unreasonable or exorbitant charge for services rendered. Before a license to conduct a warehouse is granted under the act the warehouseman shall file with the bureau a copy of his rules, if any, and a schedule of the charges to be made by him if licensed. Before making any change in such rules or schedule of charges he shall file with the bureau a statement in writing showing the proposed change and the reasons therefor. Each licensed warehouseman shall keep ex- [fol. 32d-13] posed conspicuously in the place prescribed by regulation 2, section 4, and at such other place, accessible to the public, as the chief of the bureau or his representative may from time to time designate, a copy of his current rules and schedule of charges.

### Business hours

Sec. 8. Paragraph 1. Each licensed warehouse shall be kept open for the purpose of receiving cotton for storage and delivering cotton out of storage every business day for a period of not less than six hours between the hours of 8 a. m. and 6 p. m., except as provided in paragraph 2 of this section. The warehouseman shall keep conspicuously posted on the door of the public entrance to his office and to his warehouse a notice showing the hours during which the warehouse will be kept open, except when such warehouse is kept open continuously from 8 a. m. to 6 p. m.

### Closing of warehouse

Paragraph 2. In case the warehouse is not to be kept open as required by paragraph 1 of this section, the notice posted as prescribed in that paragraph shall state the period during which the warehouse is to be closed and the name of an accessible person, with the address where he is to be found, who shall be authorized to deliver cotton

stored in such warehouse, upon lawful demand by the depositor thereof or the holder of the receipt therefor, as the case may be.

### Numbered tags to be attached to bales

Sec. 9. Each warehouseman shall, upon acceptance of any bale of cotton for storage, immediately attach thereto a numbered tag of good quality which shall identify the bale. Such tag either shall be made of reasonably heavy waterproof paper or linen, with double reinforced eyelets, and be attached to the bale with a flexible, ~~rust~~proof wire, or shall be made of such other material and attached by such other means as shall be approved by the chief of the bureau or his representative. The tags shall be attached in numerical sequence or any series of sequences clearly distinguishable from each other.

### Arrangement and tagging of stored cotton

Sec. 10. Each warehouseman shall so store each bale of cotton for which a receipt under the act has been issued that the tag thereon, required by section 9 of this regulation, is visible and readily accessible, and shall arrange all other cotton in his licensed warehouse so as to permit an accurate count thereof.

[fol. 32d-14]

### System of accounts

Sec. 11. Each warehouseman shall use for his licensed warehouse a system of accounts, approved for the purpose by the bureau, which shall show for each bale of cotton the tag number mentioned in section 9 of this regulation, its weight, its class when its class is required to be, or is ascertained, its location, the dates received for and delivered out of storage, and the receipts issued and canceled, and such accounts shall include a detailed record of all moneys received and disbursed and of all effective insurance policies.

### Reports

Sec. 12. Each licensed warehouseman shall, from time to time, when requested by the chief of the bureau, make such reports, on forms prescribed and furnished for the purpose by the bureau, concerning the condition, contents,

operation, and business of the warehouse as the chief of the bureau may require.

Canceled receipts to be forwarded to bureau for auditing

Sec. 13. Each warehouseman, when requested by the bureau, shall forward his canceled receipts for auditing to such field offices of the bureau as may be designated from time to time. For the purposes of this section, only such portion as the bureau may designate of each canceled receipt, numbered to correspond with the actual receipt number, need be submitted.

Copies of reports to be kept

Sec. 14. Each warehouseman shall keep on file, as a part of the records of the warehouse, for such period as may be prescribed by the chief of the bureau for each kind of report, an exact copy of each such report submitted by such warehouseman under this regulation.

Inspections and examinations of warehouses

Sec. 15. Each licensed warehouseman shall permit any officer or agent of the Department of Agriculture, authorized by the Secretary for the purpose, to enter and inspect or examine, on any business day during the usual hours of business, any warehouse for the conduct of which such warehouseman holds a license, the office thereof, the books, records, papers, and accounts relating thereto, and the contents thereof, and such warehouseman shall furnish such officer or agent the assistance necessary to enable him to make any inspection or examination under this section.

Weighing apparatus subject to examination and disapproval

Sec. 16. The weighing apparatus used for ascertaining the weight stated in a receipt or certificate, issued for cotton stored in a licensed warehouse, shall be subject to examination by any officer or agent of the Department of Agriculture designated by the chief of the bureau for the pur-
[fol. 32d-15] pose. If the bureau shall disapprove such weighing apparatus, it shall not thereafter, unless such disapproval be withdrawn, be used in ascertaining the weight of any cotton for the purposes of the act and these regulations.

### Loose cotton

Sec. 17. Each warehouseman shall keep his warehouse reasonably free of loose cotton, except in a space or container separate and apart from other cotton.

### Excess storage

Sec. 18. If at any time a warehouseman shall store cotton in his licensed warehouse in excess of the capacity thereof determined in accordance with paragraph 1 of section 2 of regulation 3, such warehouseman shall so arrange the cotton as not to obstruct free access thereto and the proper use of sprinkler or other fire protection equipment provided for such warehouse, and shall immediately notify the chief of the bureau of such excess storage and arrangement thereof.

### Removal of cotton from storage

Sec. 19. Except as may be permitted by law or these regulations, a warehouseman shall not remove any cotton, for storage, from the licensed warehouse or a part thereof designated in the receipt for such cotton, if by such removal the insurance thereon will be impaired, without first obtaining the consent in writing of the holder of the receipt, and indorsing on such receipt the fact of such removal. Under no other circumstances, unless it becomes absolutely necessary to protect the interests of holders of receipts, shall cotton be removed from the warehouse, and immediately upon any such removal the warehouseman shall notify the chief of the bureau of such removal and the necessity therefor.

### Storage of wet cotton. Storage of cotton damaged by fire

Sec. 20. A warehouseman shall not place any bale of cotton that is excessively wet in contact with any other cotton in the licensed warehouse. A warehouseman shall not store in the same compartment with cotton that has not been damaged by fire any cotton that has been damaged by fire until the risk of fire therein has passed and the fire-damaged cotton has been removed from the bale, and then he shall not store it in contact with cotton that has not been so damaged.

Cotton not to be injured by handling or storing

Sec. 21. A warehouseman shall not handle or store cotton in such manner as will injure or damage it, or in any part of the warehouse in which it is likely to be injured or damaged by excessive moisture, or otherwise.

[fol. 32d-16] Warehouseman must comply with State law and his contracts

Sec. 22. Each warehouseman shall faithfully perform his obligations as a warehouseman under the laws of the State in which he is conducting his licensed warehouse and such additional obligations as a warehouseman as may be assumed by him under contracts with the respective depositors of cotton in such warehouse.

Fire loss to be reported by wire

Sec. 23. If at any time a fire shall occur at or within any licensed warehouse, it shall be the duty of the warehouseman to report immediately by wire to the chief of the bureau the occurrence of such fire and the extent of damage.

Copies of grade and weight certificates to be filed with licensed warehouseman

Sec. 24. When a grade or weight certificate has been issued by a licensed grader or weigher, a copy of such certificate shall be filed with the warehouseman in whose warehouse the cotton covered by such certificate is stored, and such certificates shall become a part of the records of the licensed warehouseman.

Regulation 6. Fees

Warehouse license fees

Section 1. There shall be charged, assessed, and collected a fee of $2 for each warehouseman's license.

Warehouse inspection fees

Sec. 2. There shall be charged, assessed, and collected for each original examination or inspection of a warehouse under the act, when such examination or inspection is made upon application of a warehouseman, a fee at the rate of $5

for each 1,000 bales of the storage capacity, or fraction thereof, determined in accordance with paragraph 1 of section 2 of regulation 3, but in no case less than $5 nor more than $100, and, for each reexamination or reinspection applied for by such warehouseman, a fee, based on the extent of the reexamination or reinspection, proportioned to, but not greater than, that prescribed for the original examination or inspection.

Advance deposit

Sec. 3. Before any warehouseman's license or modification or extension thereof is granted, or an original examination or inspection, or reexamination or reinspection, applied for by a warehouseman, is made, pursuant to these regulations, the warehouseman shall deposit with the bureau the amount of the fee prescribed therefor. Such deposit shall be made in the form of a check, certified, if required by the bureau, or post office or express money order, payable to the order of "Disbursing Clerk, U. S. Department of Agriculture."

[fol. 32d-17] Return of excess deposit

Sec. 4. The disbursing clerk of the United States Department of Agriculture shall hold in his custody each advance deposit made under this regulation until the fee, if any, is assessed and he is furnished by the bureau with a statement showing the amount thereof and against whom assessed. Any part of such advance deposit which is not required for the payment of any fee assessed shall be returned to the party depositing the same.

Regulation 7. Licensed Classifiers and Licensed Weighers

Application forms

Section 1. Paragraph 1. Applications for licenses to classify or to weigh cotton under section 11 of the act shall be made to the chief of the bureau on forms furnished for the purpose by him.

Contents

Paragraph 2. Each such application shall be in English, shall be signed by the applicant, shall be verified by him under oath or affirmation administered by a duly authorized

officer, and shall contain or be accompanied by (a) the name and location of a warehouse or warehouses licensed, or for which application for license has been made, under the act, in which cotton sought to be classified or weighed under such license is or may be stored; (b) a statement from the warehouseman conducting such warehouse showing whether or not the applicant is competent and is acceptable to such warehouseman for the purpose; (c) satisfactory evidence that he is competent to classify or to weigh cotton; (d) a statement by the applicant that he agrees to comply with and abide by the terms of the act and these regulations so far as the same may relate to him; and (e) such other information as the chief of the bureau may deem necessary; provided, that when an application for a license to classify cotton is filed by a person who does not intend to classify cotton for any particular licensed warehouseman but who does intend to classify cotton stored or to be stored in a licensed warehouse and to issue class certificates therefor, as provided for by the act and these regulations, independent of the warehouse receipts issued to cover such cotton, it shall not be necessary to furnish such statement as is required by subdivision (b) of this paragraph.

Classifiers holding licenses under cotton standards act

Paragraph 3. For the purpose of classifying cotton under these regulations, each licensed classer who holds an unsuspended, unrevoked, or uncanceled license under the cotton standards act of March 4, 1923, and regulations thereunder to classify cotton and certificate the grade thereof shall be deemed competent and a license may be issued to him under the United States warehouse act upon furnishing the information required by paragraph 2 of this section except subdivision (c).

[fol. 32d-18] Applicant must furnish additional information if required

Paragraph 4. The applicant shall at any time furnish such additional information as the Secretary or the chief of the bureau shall find to be necessary to the consideration of his application.

### Combined classifier's and weigher's application

Paragraph 5. A single application may be made by any person for a license as both classifier and weigher upon complying with all the requirements of this section.

### Examination

Sec. 2. Each applicant for a license as a classifier or weigher and each licensed classifier or licensed weigher shall, whenever requested by an authorized agent of the Department of Agriculture designated by the chief of the bureau for the purpose, submit to an examination or test to show his ability properly to classify or to weigh cotton, as the case may be, and shall also make available for inspection copies of the standards of classification or the weighing apparatus, as the case may be, used or to be used by him.

### Posting of license

Sec. 3. Each licensed classifier shall keep his license conspicuously posted in the office where all or most of the classifying is done, and each licensed weigher shall keep his license conspicuously posted in the warehouse office, or in such place as may be designated for the purpose by a representative of the bureau.

### Duties of classifier and weigher

Sec. 4. Each licensed classifier and each licensed weigher, when requested, shall, without discrimination, as soon as practicable, and upon reasonable terms, classify or weigh and certificate the class or weight of cotton stored or to be stored in a licensed warehouse for which he holds a license, if such cotton be offered to him under such conditions as permit proper inspection and the determination of the class or weight thereof, as the case may be. Each such classifier or weigher shall give preference to persons who request his services as such over persons who request his services in any other capacity. No class certificate or weight certificate shall be issued under the act for cotton not stored or not to be stored in a licensed warehouse.

### Class certificate

Sec. 5. Paragraph 1. Each class certificate issued under the act by a licensed classifier shall be in a form approved

for the purpose by the chief of the bureau, and shall embody within its written or printed terms (a) the caption "Cotton class certificate"; (b) whether it is an original, a duplicate, or other copy; (c) the name and location of the licensed warehouse in which the cotton is or is to be stored; (d) the date of the certificate; (e) the location of the cotton at the time of classification; (f) the identification of each bale of cotton by the tag number given to the bale in accordance with regulation 5, section 9, or if there be no such tag number by other marks or numbers; (g) the grade or other class, except length of staple, of each bale of cot- [fol. 32d-19] ton covered by the certificate, in accordance with regulation 8 as far as applicable, and the standard or description in accordance with which the classification is made; (h) a blank space designated for the purpose in which the length of staple may be stated; (i) that the certificate is issued by a licensed classifier under the United States warehouse act and regulations thereunder; and (j) the signature of the licensed classifier. In addition, the class certificate may include any other matter not inconsistent with the act or these regulations, provided the approval of the bureau is first secured.

Class certificates issued under cotton standards act

Paragraph 2. Class certificates issued under the cotton standards act of March 4, 1923, shall be deemed sufficient for the purposes of the warehouse act and these regulations, provided the person issuing such certificates holds unsuspended, unrevoked, and uncanceled licenses under both the cotton standards act and the United States warehouse act.

Weight certificate

Sec. 6. Each weight certificate issued under the act by a licensed weigher shall be in a form approved for the purpose by the chief of the bureau, and shall embody within its written or printed terms (a) the caption "Cotton weight certificate"; (b) whether it is an original, a duplicate, or other copy; (c) the name and location of the licensed warehouse in which the cotton is or is to be stored; (d) the date of the certificate; (e) the location of the cotton at the time of weighing; (f) the identification of each bale of cotton by the tag number given to the bale in accordance

with regulation 5, section 9, or if there be no such tag number by other marks or numbers; (g) the gross weight of the cotton and, if the cotton be excessively wet or otherwise of a condition materially affecting its weight, a statement of such fact to which may be added the weigher's estimate of the number of pounds which should be allowed for such condition; (h) that the certificate is issued by a licensed weigher under the United States warehouse act and the regulations thereunder; and (i) the signature of such licensed weigher. In addition, the weight certificate may include any other matter not inconsistent with the act or these regulations, provided the approval of the bureau is first secured.

Combined class and weight certificate

Sec. 7. The class and weight of any cotton, ascertained by a licensed classifier and a licensed weigher, may be stated on a certificate meeting the combined requirements of sections 5 and 6 of this regulation, if the form of such certificate shall have been approved for the purpose by the chief of the bureau.

Copies of certificates to be kept

Sec. 8. Each licensed classifier and each licensed weigher shall keep for a period of one year in a place accessible to [fol. 32d-20] interested persons a copy of each certificate issued by him under these regulations and shall file a copy of each such certificate with the warehouse in which the cotton covered by the certificate is stored.

Inspections

Sec. 9. Each licensed classifier and each licensed weigher shall permit any officer or agent of the Department of Agriculture, authorized by the Secretary for the purpose, to inspect or examine, on any business day during the usual hours of business, his books, papers, records, and accounts relating to the performance of his duties under the act and these regulations, and shall, with the consent of the licensed warehouseman concerned, assist any such officer or agent in the inspection or examination mentioned in section 15 of regulation 5, as far as any such inspection or examination relates to the performance of the duties

of such licensed classified or licensed weigher under the act and these regulations.

## Reports

Sec. 10. Each licensed classifier and each licensed weigher shall, from time to time, when requested by the chief of the brueau, make reports, on forms furnished for the purpose by the bureau, bearing upon his activities as such licensed classifier or licensed weigher.

## Suspension, revocation, or cancellation of classifier's and weigher's licenses

Sec. 11. Pending investigation the Secretary may, whenever he deems necessary, suspend the license of a licensed classifier or licensed weigher temporarily without hearing. Upon a written request and a satisfactory statement of reasons therefor, submitted bly the licensed classifier or licensed weigher, the Secretary may, without hearing, suspend or cancel the license issued to such licensed classifier or licensed weigher. The Secretary may, after opportunity for hearing when possible has been afforded in the manner prescribed in this section, suspend or cancel a license issued to a licensed classifier or licensed weigher when such licensed classifier or licensed weigher (a) has ceased to perform services as such classifier or weigher, or (b) has in any other manner become incompetent or incapacitated to perform the duties of such licensed classifier or licensed weigher. As soon as it shall come to the attention of a licensed warehouseman that any of the conditions mentioned under (a) or (b) exist it shall be the duty of such warehouseman to notify in writing the chief of the bureau. Before the license of any licensed classifier or licensed wegher is suspended or revoked pursuant to section 12 of the act, such licensed classifier or licensed weigher shall be furnished by the Secretary, or by an official of the Depart-
[fol. 32d-21] ment of Agriculture designated for the purpose, a written statement specifying the charges and shall be allowed a reasonable time within which he may answer the same in writing and apply for a hearing, an opportunity for which shall be afforded in accordance with regulation 10, section 4.

Return of suspended, revoked, or canceled classifier's and weigher's licenses

Sec. 12. Paragraph 1. In case a license issued to a licensed classifier or licensed weigher is suspended, revoked, or canceled by the Secretary, such license shall be returned to the Secretary. At the expiration of any period of suspension of such license, unless in the meantime it be revoked or canceled, the dates of the beginning and termination of the suspension shall be indorsed thereon, and it shall be returned to the licensed classifier or licensed weigher to whom it was originally issued, and it shall be posted as prescribed in section 3 of this regulation.

License terminates with warehouse license. New licenses, when issued

Paragraph 2. Any license issued, under the act of these regulations, to a classifier or weigher shall automatically terminate as to any warehouse whenever the license of such warehouse shall be revoked or canceled. Thereupon the license of such classifier or weigher shall be returned to the Secretary. In case such license shall apply to other warehouses the Secretary shall issue to him a new license, omitting the names of the warehouses covering which licenses have been so revoked or canceled. Such new license shall be posted as prescribed in section 3 of this regulation.

Lost or destroyed classifier's and weigher's licenses

Sec. 13. Upon satisfactory proof of the loss or destruction of a license issued to a licensed classifier or licensed weigher, a duplicate thereof may be issued under the same or a new number, in the discretion of the Secretary.

Unlicensed classifiers and weighers must not represent themselves as licensed

Sec. 14. No person shall in any way represent himself to be a classifier or weigher licensed under the act unless he holds an unsuspended, unrevoked, and uncanceled license issued under the act.

## Regulation 8. Cotton Classification

Class to be stated according to this regulation

Section 1. Whenever the grade or other class of cotton is required to be, or is, stated for the purpose of the act or

these regulations it shall be stated in accordance with this regulation, as far as applicable.

### Official cotton standards of the United States

Sec. 2. The official cotton standards of the United States, established and promulgated under the United States cot- [fol. 32d-22] ton futures act of August 11, 1916, within their scope, are hereby adopted as the official cotton standards for the purposes of the act and these regulations.

### Irregularities

Sec. 3. Paragraph 1. Cotton that, (a) because of the presence of extraneous matter of any character or irregularities or defects, is reduced in value below that of Good Ordinary, (b) is below the grade of Good Ordinary, (c) is below the grade of Law Middling, if tinged, (d) is below the grade of Middling, if stained, (e) is linters, (f) is less than seven eighths of an inch in length of staple, (g) is of perished staple, (h) is of immature staple, (i) is gin cut, (j) is reginned, (k) is repacked, (l) is false packed, (m) is mixed packed, or (n) is water packed, shall be designated as such. In the case of subdivision (a) of this paragraph the particular extraneous matter or irregularities or defects shall be stated.

### Reduction in value

Paragraph 2. If cotton be reduced in value, by reason of the presence of extraneous matter of any character or irregularities or defects, below its grade according to the official cotton standards of the United States, except when the cotton is of a quality or condition specified in paragraph 1 of this section, the grade to the value of which it is so reduced and the quality or condition which so reduces its value shall be determined and stated.

### Terms defined

Paragraph 3. For the purposes of this section, the following terms shall be construed, respectively, to mean—

Perished staple

(a) Cotton of perished staple.—Cotton that has had the strength of fiber as ordinarily found in cotton destroyed or unduly reduced through exposure to the weather either before picking or after baling, or through heating by fire, or on account of water packing, or by other causes.

Immature staple

(b) Cotton of immature staple.—Cotton that has been picked and baled before the fiber has reached a normal state of maturity, resulting in a weakened staple of inferior value.

Gin cut

(c) Git cut cotton.—Cotton that shows damage in ginning, through cutting by the saws, to an extent that reduces its value more than two grades.

Reginned

(d) Reginned cotton.—Cotton that has passed through the ginning process more than once and cotton that, after having been ginned, has been subjected to a cleaning process and then baled.

[fol. 32d-23]

Repacked

(e) Repacked cotton.—Cotton that is composed of factors', brokers', or other samples, or of loose or miscellaneous lots collected and rebaled.

False packed

(f) False packed cotton.—Cotton in a bale (1) containing substances entirely foreign to cotton, (2) containing damaged cotton in the interior with or without any indication of such damage upon the exterior, (3) composed of good cotton upon the exterior and decidedly inferior cotton in the interior in such manner as not to be detected by customary examination—that is, a plated bale—or (4) containing pickings or linters worked into the bale.

Mixed packed

(g) Mixed packed cotton.—Cotton in a bale which shows a difference of more than two grades between samples

drawn from the heads and the top and bottom sides of the bale, or which shows a difference in color exceeding two grades in value between such samples.

### Water packed

(h) Water packed cotton.—Cotton in a bale that has been penetrated by water during the baling process, causing damage to the fiber, or a bale that through exposure to the weather or by other means, while apparently dry on the exterior, has been damaged by water in the interior.

### Class to be based on proper inspection and sample

Sec. 4. Whenever the grade or other class of cotton is required to be, or is, stated by a warehouseman or a classifier for the purposes of the act or these regulations, it shall be based upon a careful inspection of and a sample properly drawn from the cotton.

### Samples

Sec. 5. No sample taken from a bale of cotton of the square type shall be deemed to be properly drawn for the purposes of these regulations unless it be composed of cotton drawn by the customary methods from both sides of the bale and weigh not less than 4 ounces, except that, in any State where provision is made by law for the taking of representative samples at the gin, samples complying with such law may be used in determining the grade or other class of the cotton from which such samples were taken.

### Class to be based on low side

Sec. 6. In case the cotton drawn from one portion of a bale is lower in class than that drawn from another portion of the bale, except as otherwise provided by these regulations, the class assigned to the bale shall be that of the cotton taken from the portion showing the lower class.

[fol. 32d-24] Access to official cotton standards

Sec. 7. Each licensed warehouseman and each licensed classifier shall keep himself provided with, or have access to, a set of practical forms of the official cotton standards

of the United States, or such parts thereof as the chief of the bureau shall deem necessary for use in the locality in which the licensed warehouse is located.

### Regulation 9. Cotton Appeals

#### Who may appeal

Section 1. Whenever the grade or other class of cotton, for which official cotton standards of the United States are in effect, is stated on a receipt or a cotton class certificate issued under the act and these regulations, and a question arises as to the true grade or other class of such cotton, any person having an interest in the cotton may take an appeal for the determination of such question.

#### Complaint

Sec. 2. In order to take such an appeal a complaint in writing in accordance with section 3 of this regulation shall be filed with a duly authorized cotton examiner or a board of cotton examiners, or with the chief of the bureau who shall designate a cotton examiner or a board of cotton examiners for the purpose of disposing of such complaint.

#### Contents of complaint

Sec. 3. Such complaint shall be in English and shall state (a) the name and post-office address of the complainant and the nature of his interest in the cotton, (b) the name and post-office address of the holder of the receipt, if he be not the complainant, and of any other interested party, (c) the name and location of the licensed warehouse in which the cotton is stored, the tag number assigned to each bale of cotton involved in the appeal in accordance with regulation 5, section 9, the grade or other class assigned to such cotton by the licensed warehouseman, and the date of the receipt issued therefor, (d) the grade or other class assigned by the licensed classifier, if any, (e) the grade or other class, different from that assigned by the licensed warehouseman, which is contended for by any interested party, (f) whether, within complainant's knowledge, any appeal involving the same cotton previously has been taken, and if so, an appropriate identification of such other appeal, (g) if samples have been agreed upon and are sub-

mitted in accordance with paragraph 2 of section 5 of this regulation a statement thereof. The complainant shall [fol. 32d-25] file with his complaint, when practicable, or before the issuance of the cotton appeal certificate, in the appeal, the warehouse receipt or class certificate, if any, covering the cotton involved in the appeal. When such receipt or certificate is not filed a definite statement indicating why such papers are not produced shall be filed.

Proof of agent's authority

Sec. 4. In case a complaint is filed under this regulation by a person purporting to act in behalf of another person, the chief of the bureau, or the cotton examiner or the board of cotton examiners with whom it was filed, may, if considered necessary, require proof of the authority of such person to file the complaint.

Determination of appeals to be based on samples

Sec. 5, Paragraph 1. Appeals taken under this regulation shall be determined upon the basis of samples of the cotton involved which have been drawn and submitted in accordance with this section.

Agreed samples

Paragraph 2. The complainant may submit samples of the cotton involved which have been agreed upon by the licensed warehouseman in whose warehouse the cotton is stored and the interested parties other than such warehouseman, or have been drawn by a disinterested person selected for the purpose by the warehouseman and such parties. Such samples, when drawn from cotton to which section 5, of regulation 8 applies, shall be drawn in accordance with said section.

Unsatisfactory samples

Paragraph 3. If samples which have been submitted pursuant to paragraph 2 of this section be deemed unsatisfactory, the cotton examiner or board of cotton examiners by whom the appeal is heard or the chief of the bureau may require the submission of new samples in accordance with said paragraph 2.

Appeal dismissed or new samples drawn

Paragraph 4. In case samples are not submitted in accordance with paragraph 2 or 3 of this section, the chief of the bureau, the cotton examiner, or board of cotton examiners by whom the appeal is heard may dismiss the appeal as provided in section 6 of this regulation, or samples may be drawn from the cotton involved by a cotton examiner or by a disinterested person designated for the purpose by the cotton examiner or the board of cotton examiners by whom the appeal is heard or by the chief of the bureau, and the complainant shall cause the cotton to be made accessible for the purpose of drawing such samples.

[fol. 32d-26] Dismissal of appeals

Sec. 6. The chief of the bureau or the cotton examiner or board of cotton examiners by whom an appeal is heard may dismiss such appeal upon request of the complainant, or for noncompliance with these regulations, or if it be found that the appeal was not taken in good faith. In case of an appeal filed in the first instance with a cotton examiner, a dismissal upon request of the complainant shall be made only before notice of grade or other class as provided in section 7 of this regulation is issued.

Cotton appeal certificate.

Sec. 7. When an appeal filed with a board of cotton examiners has been determined, it shall immediately issue a cotton appeal certificate. When an appeal has been determined by a cotton examiner he shall issue a notice, a copy of which shall be sent by him to all parties shown by the record of the appeal to have an interest therein. In such notice the grade or other class assigned by him to the cotton involved in the appeal shall be stated, and any such interested party shall have a reasonable time, fixed in such notice, within which he may request of the chief of the bureau a review of the appeal by a board of cotton examiners. In case such request is not filed with such cotton examiner in the time fixed therefor, or in case within such time every such interested party waives in writing a review by a board of cotton examiners, the cotton examiner shall immediately issue a cotton appeal certificate showing the

grade or other class assigned to the cotton by him. In case a request under this section for a review of an appeal is filed within the time fixed for the filing of such request, the cotton examiner shall note in his records the time of such filing and shall immediately notify the chief of the bureau, who shall cause the appeal to be reviewed and a cotton appeal certificate issued showing the grade or other class assigned upon such review. Immediately upon the issuance of a cotton appeal certificate under this section, the original thereof, together with any receipt covering such cotton filed in the appeal, shall be sent to the licensed warehouseman concerned, and a copy shall be sent to each other person shown by the record of the appeal to be interested therein.

### Expenses paid by complainant

SEC. 8. All expenses for the transmission of communications from the complainant, for telegraph and telephone toll charges on messages addressed to him, and for drawing [fol. 32d-27] and submitting samples required by section 5 of this regulation, including such traveling expenses, if any, incurred in accordance with the fiscal regulations of the Department of Agriculture as the chief of the bureau may deem proper, shall be borne by the complainant in the appeal in connection with which such expenses were incurred.

### Advance deposit by complainant

SEC. 9. If required by the cotton examiner or board of cotton examiners by whom the appeal is heard, the complainant shall make an advance deposit to cover the expenses payable by him under section 8 of this regulation. Such deposit shall be in an amount fixed by the cotton examiner or board of cotton examiners, and shall be in the form of a check, certified if required by the chief of the bureau or a post-office or express money order, payable to the order of "Disbursing Clerk, Department of Agriculture." As soon as possible after the determination of an appeal in connection with which any such advance deposit shall have been made, the chief of the bureau shall furnish the disbursing clerk of the Department of Agriculture with a statement of the expenses, if any, chargeable against such

advance deposit. Thereupon the disbursing clerk shall return to the person making the advance deposit as much thereof as shall not be required for the payment of such expenses.

New warehouse receipt

Sec. 10. Upon demand by the lawful holder of a receipt for cotton involved in an appeal under this regulation, the licensed warehouseman shall surrender to such holder the original cotton appeal certificate issued in such appeal, and, if the grade or other class shown by such certificate be different from that shown by the receipt, shall, upon the return of the old receipt, issue a new receipt stating the grade or other class shown by such cotton appeal certificate.

Disposition of samples

Sec. 11. Samples submitted in appeals under this regulation may be used for the purposes of the Department of Agriculture or disposed of in accordance with the property regulations of the Department of Agriculture, and the proceeds, if any, covered into the Treasury of the United States as miscellaneous receipts, or may, at any time, in the discretion of the chief of the bureau, be returned to the complainant at his expense.

[fol. 32d-28] Regulation 10, Miscellaneous

Bond to be furnished by persons licensed under section 9 of act

Section 1. Every person applying for a license, or licensed, under section 9 of the act, shall, as such, be subject to all portions of these regulations, except section 3 of regulation 2, so far as they may relate to warehousemen. In case there is a law of any State providing for a system of warehouses owned, operated, or leased by such State, a person applying for a license under section 9 of the act, to accept the custody of cotton and to store the same in any of said warehouses, may, in lieu of a bond or bonds, complying with sections 1 and 2 of regulation 3, file with the Secretary a single bond meeting the requirements of the act and regulations, in such form, and in such amount not less than $5,000, as he shall prescribe, to insure the per-

formance by such person, with respect to the acceptance of the custody of cotton and its storage in the warehouses in such system for which licenses are or may be issued, of his obligations arising during the periods of such licenses, and in addition, if desired by the applicant, during the periods of any renewals or extensions thereof. In fixing the amount of such bond, consideration shall be given, among other appropriate factors, to the character of the warehouses involved, their actual or contemplated capacity, the bonding requirements of the State, and its liability with respect to such warehouses. If the Secretary shall find the existence of conditions warranting such action, there shall be added to the amount of the bond so fixed, a further amount, fixed by him, to meet such conditions.

### Publications

Sec. 2. Publications under the act and the regulations shall be made in service and regulatory announcements of the bureau and such other media as the chief of that bureau may from time to time designate for the purpose.

### Information of violations of act and regulations

Sec. 3. Every person licensed under the act shall immediately furnish the bureau any information which comes to the knowledge of such person tending to show that any provision of the act or the regulations has been violated.

### Procedure in hearings

Sec. 4. For the purpose of a hearing under the act or these regulations, except regulation 9, the licensee involved shall be allowed a reasonable time, fixed by the Secretary or by an official of the Department of Agriculture designated by him for the purpose, within which affidavits and other proper evidence may be submitted. If requested by [fol. 32d-29] the licensee within such time, an oral hearing, of which reasonable notice shall be given, shall be held before, and at a time and place fixed by the Secretary or an official of the Department of Agriculture designated by him for the purpose. The testimony of the witnesses at such oral hearing shall be upon oath or affirmation administered by the official before whom the hearing is held, when

required by him. Such oral hearing may be adjourned by him from time to time. After reasonable notice to all parties concerned, the deposition of any witness may be taken at a time and place and before a person designated for the purpose by the Secretary or an official of the Department of Agriculture authorized by the Secretary. Every written entry in the records of the Department of Agriculture made by an officer or employee thereof in the course of his official duty, which is relevant to the issue involved in a hearing, shall be admissible as prima facie evidence of the facts stated therein without the production of such officer or employee. Copies of all papers and all the evidence submitted or considered in such hearing shall be made a part of the records of the Department of Agriculture. The records and, when there has been an oral hearing other than by the Secretary, the recommendation of the official holding such oral hearing shall be transmitted to the Secretary for his consideration. Each party shall pay all expenses contracted by him in connection with any hearing under this section.

No conflict with State or Federal laws

Sec. 5. Nothing in these regulations shall be construed to conflict with, or to authorize any conflict with, or in any way to impair or limit the effect or operation of, the laws of any State relating to warehouses, warehousemen, weighers, graders, or classifiers, nor shall these regulations be construed so as to limit the operation of any statute of the United States relating to warehouses, warehousemen, weighers, graders, or classifiers now in force in the District of Columbia or in any Territory or other place under the exclusive jurisdiction of the United States.

Amendments

Sec. 6. Any amendment to, or revision of, these regulations, unless otherwise stated therein, shall apply in the same manner to persons holding licenses at the time it becomes effective as it applies to persons thereafter licensed under the act.

[fol. 32d-30] General regulations under the United States warehouse Act

Regulation 1. Combination warehouses

One document and one license to cover several products

Section 1. A license may be issued for the storage of two or more agricultural products in a single warehouse. Where such a license is desired, a single application, inspection, bond, record, report or other paper, document or proceeding relating to such warehouse, shall be sufficient unless otherwise directed by the chief of the bureau.

Amount of assets and bond needed for combination warehouses

Sec. 2. Where such license is desired, the amount of the bond, net assets, and inspection and license fees shall be determined by the chief of the bureau in accordance with the regulations applicable to the particular agricultural product which would require the largest bond and the greatest amount of net assets and of fees if the full capacity of the warehouse was used for its storage.

[fol. 32d-31] United States Warehouse Act

[As amended July 25, 1919, and February 23, 1923]

Title declared

That this Act shall be known by the short title of "United States warehouse Act."

Terms construed. Warehouse. Person. Warehouseman. Receipt

Sec. 2. That the term "warehouse" as used in this Act shall be deemed to mean every building, structure, or other protected inclosure in which any agricultural product is or may be stored for interstate or foreign commerce, or, if located within any place under the exclusive jurisdiction of the United States, in which any agricultural product is or may be stored. As used in this Act, "person" includes a corporation or partnership or two or more persons having a joint or common interest; "warehouseman" means a person lawfully engaged in the business of storing agri-

cultural products; and "receipt" means a warehouse receipt.

Investigation, etc., of warehouses. Classification. Duties of warehousemen

Sec. 3. That the Secretary of Agriculture is authorized to investigate the storage, warehousing, classifying according to grade and otherwise, weighing, and certification of agricultural products; upon application to him by any person applying for license to conduct a warehouse under this Act, to inspect such warehouse or cause it to be inspected; at any time, with or without application to him, to inspect or cause to be inspected all warehouses licensed under this Act; to determine whether warehouses for which licenses are applied for or have been issued under this Act are suitable for the proper storage of any agricultural product or products; to classify warehouses licensed or applying for a license in accordance with their ownership, location, surroundings, capacity, conditions, and other qualities, and as to the kinds of licenses issued or that may be issued for them pursuant to this Act; and to prescribe, within the limitations of this Act, the duties of the warehousemen conducting warehouses licensed under this Act with respect to their care of and responsibility for agricultural products stored therein.

Licenses to warehousemen. Conditions of issue.

Sec. 4. That the Secretary of Agriculture is authorized, upon application to him, to issue to any warehouseman a license for the conduct of a warehouse or warehouses in accordance with this Act and such rules and regulations as may be made hereunder: Provided, That each such warehouse be found suitable for the proper storage of the particular agricultural product or products for which a license is applied for, and that such warehouseman agree, as a condition to the granting of the license, to comply with and abide by all the terms of this Act and the rules and regulations prescribed hereunder.

Modification or extension of license

Sec. 5. That each license issued under Sections 4 and 9 of this Act shall terminate as therein provided, or in accord-

ance with the terms of this Act and the regulations thereunder, and may from time to time be modified or extended by a written instrument.

[fol. 32d-32] Bond to be filed. Conditions. Sureties, terms, etc. Additional bond

Sec. 6. That each warehouseman applying for a license to conduct a warehouse in accordance with this Act shall, as a condition to the granting thereof, execute and file with the Secretary of Agriculture a good and sufficient bond to the United States to secure the faithful performance of his obligations as a warehouseman under the laws of the State, District, or Territory in which he is conducting such warehouse, as well as under the terms of this Act and the rules and regulations prescribed hereunder, and of such additional obligations as a warehouseman as may be assumed by him under contracts with the respective depositors of agricultural products in such warehouse. Said bond shall be in such form and amount, shall have such surety or sureties, subject to service of process in suits on the bond within the State, District, or Territory in which the warehouse is located, and shall contain such terms and conditions as the Secretary of Agriculture may prescribe to carry out the purposes of this Act, and may, in the discretion of the Secretary of Agriculture, include the requirements of fire insurance. Whenever the Secretary of Agriculture shall determine that a bond approved by him is, or for any cause has become, insufficient, he may require an additional bond or bonds to be given by the warehouseman concerned, conforming with the requirements of this section, and unless the same be given within the time fixed by a written demand therefor the license of such warehouseman may be suspended or revoked.

Suit on bond

Sec. 7. That any person injured by the breach of any obligation to secure which a bond is given, under the provisions of Sections 6 or 9, shall be entitled to sue on the bond in his own name in any court of competent jurisdiction to recover the damages he may have sustained by such breach.

Bonded warehouse. Designation. Conditions authorizing

Sec. 8. That upon the filing with and approval by the Secretary of Agriculture of a bond, in compliance with this Act, for the conduct of a warehouse, such warehouse shall be designated as bonded hereunder; but no warehouse shall be designated as bonded under this Act, and no name or description conveying the impression that it is so bonded, shall be used, until a bond, such as provided for in Section 6, has been filed with and approved by the Secretary of Agriculture, nor unless the license issued under this Act for the conduct of such warehouse remains unsuspended and unrevoked.

Licenses for storage by persons not warehousemen. Receipts and bond required

Sec. 9. That the Secretary of Agriculture may, under such rules and regulations as he shall prescribe, issue a license to any person not a warehouseman to accept the custody of agricultural products and to store the same in a warehouse or warehouses owned, operated, or leased by any State, upon condition that such person agree to comply with and abide by the terms of this Act and the rules and regulations prescribed hereunder. Each person so licensed shall issue receipts for the agricultural products placed in his custody, and shall give bond, in accordance with the provisions of this Act and the rules and regulations hereunder affecting warehousemen licensed under this Act, and shall otherwise be subject to this Act and such rules and regulations to the same extent as is provided for warehousemen licensed hereunder.

[fol. 32d-33] Examination and inspection charges. Deposit of fees

Sec. 10. That the Secretary of Agriculture shall charge, assess, and cause to be collected a reasonable fee for every examination or inspection of a warehouse under this Act when such examination or inspection is made upon application of a warehouseman, and a fee not exceeding $2 per annum for each license or renewal thereof issued to a warehouseman under this Act. All such fees shall be deposited and covered into the Treasury as miscellaneous receipts.

Licenses to inspectors, samplers, classifiers, and weighers of products. Conditions

Sec. 11. That the Secretary of Agriculture may upon presentation of satisfactory proof of competency, issue to any person a license to inspect, sample or classify any agricultural product or products, stored or to be stored in a warehouse licensed under this Act, according to condition, grade or otherwise and to certificate the condition, grade or other class thereof, or to weigh the same and certificate the weight thereof, or both to inspect, sample or classify and weigh the same and to certificate the condition, grade or other class and the weight thereof, upon condition that such person agree to comply with and abide by the terms of this Act and of the rules and regulations prescribed hereunder so far as the same relate to him.

Suspension, or revocation of licenses

Sec. 12. That any license issued to any person to inspect, sample or classify or to weigh any agricultural product or products under this Act may be suspended or revoked by the Secretary of Agriculture whenever he is satisfied, after opportunity afforded to the licensee concerned for a hearing, that such licensee has failed to inspect, sample, or classify or to weigh any agricultural product or products correctly, or has violated any of the provision of this Act or of the rules and regulations prescribed hereunder, so far as the same may relate to him, or that he has used his license or allowed it to be used for any improper purpose whatever. Pending investigation, the Secretary of Agriculture, whenever he deems necessary, may suspend a license temporarily without hearing.

Discrimination by licensed warehousemen forbidden

Sec. 13. That every warehouseman conducting a warehouse licensed under this Act shall receive for storage therein, so far as its capacity permits, any agricultural product of the kind customarily stored therein by him which may be tendered to him in a suitable condition for warehousing, in the usual manner in the ordinary and usual course of business, without making any discrimination between persons desiring to avail themselves of warehouse facilities.

### Deposits subject to terms of Act

Sec. 14. That any person who deposits agricultural products for storage in a warehouse licensed under this Act shall be deemed to have deposited the same subject to the terms of this Act and the rules and regulations prescribed hereunder.

### Inspection and grading of fungible products

Sec. 15. That any fungible agricultural product stored for interstate or foreign commerce, or in any place under the exclusive jurisdiction of the United States, in a warehouse licensed under this Act shall be inspected and graded by a person duly licensed to grade the same under this Act.

### Separation of deposits. Mingling of fungible products permitted. Separation of grades

Sec. 16. That every warehouseman conducting a warehouse licensed under this Act shall keep the agricultural products therein of one depositor so far separate from agricultural products of other depositors, and from other [fels. 32d-34] agricultural products of the same depositor for which a separate receipt has been issued, as to permit at all times the identification and redelivery of the agricultural products deposited; but if authorized by agreement or by custom, a warehouseman may mingle fungible agricultural products with other agricultural products of the same kind and grade, and shall be severally liable to each depositor for the care and redelivery of his share of such mass, to the same extent and under the same circumstances as if the agricultural products had been kept separate, but he shall at no time while they are in his custody mix fungible agricultural products of different grades.

### Issue of receipts for products actually stored

Sec. 17. That for all agricultural products stored for interstate or foreign commerce, or in any place under the exclusive jurisdiction of the United States, in a warehouse licensed under this Act original receipts shall be issued by the warehouseman conducting the same, but no receipts shall be issued except for agricultural products actually stored in the warehouse at the time of the issuance thereof.

Contents of receipt

Sec. 18. That every receipt issued for agricultural products stored in a warehouse licensed under this Act shall embody within its written or printed terms (a) the location of the warehouse in which the agricultural products are stored; (b) the date of issue of the receipt; (c) the consecutive number of the receipt; (d) a statement whether the agricultural products received will be delivered to the bearer, to a specified person, or to a specified person or his order; (e) the rate of storage charges; (f) a description of the agricultural products received, showing the quantity thereof, or, in case of agricultural products customarily put up in bales or packages, a description of such bales or packages by marks, numbers, or other means of identification and the weight of such bales or packages; (g) the grade or other class of the agricultural products received and the standard or description in accordance with which such classification has been made: Provided, That such grade or other class shall be stated according to the official standard of the United States applicable to such agricultural products as the same may be fixed and promulgated under authority of law: Provided further, That until such official standards of the United States for any agricultural product or products have been fixed and promulgated, the grade or other class thereof may be stated in accordance with any recognized standard or in accordance with such rules and regulations not inconsistent herewith as may be prescribed by the Secretary of Agriculture; (h) a statement that the receipt is issued subject to the United States warehouse Act and the rules and regulations prescribed thereunder; (i) if the receipt be issued for agricultural products of which the warehouseman is owner, either solely or jointly or in common with others, the fact of such ownership; (j) a statement of the amount of advances made and of liabilities incurred for which the warehouseman claims a lien: Provided, That if the precise amount of such advances made or of such liabilities incurred be at the time of the issue of the receipt unknown to the warehouseman or his agent who issues it, a statement of the fact that advances have been made or liabilities incurred and the purpose thereof shall be sufficient; (k) such

other terms and conditions within the limitations of this [fols. 32d-35] Act as may be required by the Secretary of Agriculture; and (1) the signature of the warehouseman, which may be made by his authorized agent: Provided, That unless otherwise required by the law of the State in which the warehouse is located, when requested by the depositor of other than fungible agricultural products, a receipt omitting compliance with subdivision (g) of this section may be issued: Provided, however, The Secretary of Agriculture may in his discretion require that such receipt have plainly and conspicuously embodied in its written or printed terms a provision that such receipt is not negotiable.

Established Standards to be Promulgated. Official Standards Adopted

Sec. 19. That the Secretary of Agriculture is authorized, from time to time, to establish and promulgate standards for agricultural products by which their quality or value may be judged or determined: Provided, That the standards for any agricultural products which have been, or which in future may be, established by or under authority of any other Act of Congress shall be, and are hereby, adopted for the purposes of this Act as the official standards of the United States for the agricultural products to which they relate.

Issue of Other Than Original Receipts Forbidden. Lost or Destroyed Receipts

Sec. 20. That while an original receipt issued under this Act is outstanding and uncanceled by the warehouseman issuing the same no other or further receipt shall be issued for the agricultural product covered thereby or for any part thereof, except that in the case of a lost or destroyed receipt a new receipt, upon the same terms and subject to the same conditions and bearing on its face the number and date of the receipt in lieu of which it is issued, may be issued upon compliance with the statutes of the United States applicable thereto in places under the exclusive jurisdiction of the United States or upon compliance with the laws of any State applicable thereto in any place not under the exclusive jurisdiction of the United States: Provided, That if there be in such case no statute of the United States or law of a State

applicable thereto such new receipts may be issued upon the giving of satisfactory security in compliance with the rules and regulations made pursuant to this Act.

Delivery of Products to Holders of Receipt. Conditions

Sec. 21. That a warehouseman conducting a warehouse licensed under this Act, in the absence of some lawful excuse, shall, without unnecessary delay, deliver the agricultural products stored therein upon a demand made either by the holder of a receipt for such agricultural products or by the depositor thereof if such demand be accompanied with (a) an offer to satisfy the warehouseman's lien; (b) an offer to surrender the receipt, if negotiable, with such indorsements as would be necessary for the negotiation of the receipt; and (c) a readiness and willingness to sign, when the products are delivered, an acknowledgment that they have been delivered if such signature is requested by the warehouseman.

Cancellation of Receipts Upon Delivery

Sec. 22. That a warehouseman conducting a warehouse licensed under this Act shall plainly cancel upon the face thereof each receipt returned to him upon the delivery by him of the agricultural products for which the receipt was issued.

Records to be Preserved. Reports of Business Operations

Sec. 23. That every warehouseman conducting a warehouse licensed under this Act shall keep in a place of safety complete and correct records of all agricultural products [fol. 32d-36] stored therein and withdrawn therefrom, of all warehouse receipts issued by him, and of the receipts returned to and canceled by him, shall make reports to the Secretary of Agriculture concerning such warehouse and the condition, contents, operation, and business thereof in such form and at such times as he may require, and shall conduct said warehouse in all other respects in compliance with this Act and the rules and regulations made hereunder.

Examination of Stored Products

Sec. 24. That the Secretary of Agriculture is authorized to cause examinations to be made of any agricultural prod-

uct stored in any warehouse licensed under this Act. Whenever, after opportunity for hearing is given to the warehouseman conducting such warehouse, it is determined that he is not performing fully the duties imposed on him by this Act and the rules and regulations made hereunder, the secretary may publish his findings.

### Suspension or Revocation of Licenses

Sec. 25. That the Secretary of Agriculture may, after opportunity for hearing has been afforded to the licensee concerned, suspend or revoke any license issued to any warehouseman conducting a warehouse under this Act, for any violation of or failure to comply with any provision of this Act or of the rules and regulations made hereunder or upon the ground that unreasonable or exorbitant charges have been made for services rendered. Pending investigation, the Secretary of Agriculture, whenever he deems necessary, may suspend a license temporarily without hearing.

### Publications

Sec. 26. That the Secretary of Agriculture from time to time may publish the results of any investigations made under Section 3 of this Act; and he shall publish the names and locations of warehouses licensed and bonded and the names and addresses of persons licensed under this Act and lists of all licenses terminated under this Act and the causes therefor.

### Official Examinations of Records, Etc.

Sec. 27. That the Secretary of Agriculture is authorized through officials, employees, or agents of the Department of Agriculture designated by him to examine all books, records, papers, and accounts of warehouses licensed under this Act and of the warehousemen conducting such warehouses relating thereto.

### Regulations Shall Be Made

Sec. 28. That the Secretary of Agriculture shall from time to time make such rules and regulations as he may deem necessary for the efficient execution of the provisions of this Act.

State Laws Not Impaired. Cooperation With State Authorities. Operation of Present Laws

Sec. 29. That nothing in this Act shall be construed to conflict with, or to authorize any conflict with, or in any way to impair or limit the effect or operation of the laws of any State relating to warehouses, warehousemen, weighers, graders, inspectors, samplers or classifiers; but the Secretary of Agriculture is authorized to cooperate with such officials as are charged with the enforcement of such State laws in such States and through such cooperation to secure the enforcement of the provisions of this Act; nor shall this Act be construed so as to limit the operation of any statute of the United States relating to warehouses or warehousemen, weighers, graders, inspectors, samplers, or classifiers now in force in the District of Columbia or in any Territory or other place under the exclusive jurisdiction of the United States.

[fol. 32d-37] Violations

Sec. 30. That every person who shall forge, alter, counterfeit, simulate, or falsely represent, or shall without proper authority use, any license issued by the Secretary of Agriculture under this Act, or who shall violate or fail to comply with any provision of Section 8 of this Act, or who shall issue or utter a false or fraudulent receipt or certificate, or any person who, without lawful authority, shall convert to his own use, or use for purposes of securing a loan, or remove from a licensed warehouse contrary to this Act or the regulations promulgated thereunder, any agricultural products stored or to be stored in such warehouse and for which licensed receipts have been or are to be issued, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined not more than $10,000, or double the value of the products involved if such double value exceeds $10,000, or imprisoned not more than one year, or both, in the discretion of the court, and the owner of the agricultural products so converted, used, or removed may, in the discretion of the Secretary of Agriculture, be reimbursed for the value thereof out of any fine collected hereunder, by check drawn on the Treasury at the direction of the Secretary of Agriculture, for the value of such prod-

ucts to the extent that such owner has not otherwise been reimbursed. That any person who shall draw with intent to deceive a false sample of, or who shall willfully mutilate or falsely represent a sample drawn under this Act, or who shall classify, grade or weigh fraudulently, any agricultural products stored or to be stored under the provisions of this Act, shall be deemed guilty of a misdemeanor and upon conviction thereof fined not more than $500 or imprisoned for not more than six months, or both, in the discretion of the court.

Appropriations for Expenses

Sec. 31. That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $50,000, available until expended, for the expenses of carrying into effect the provisions of this Act, including the payment of such rent and the employment of such persons and means as the Secretary of Agriculture may deem necessary in the city of Washington and elsewhere, and he is authorized, in his discretion, to employ qualified persons not regularly in the service of the United States for temporary assistance in carrying out the purposes of this Act, and out of the moneys appropriated by this Act to pay the salaries and expenses thereof.

Invalidity of Any Part Not to Affect Remainder of Act

Sec. 32. That if any clause, sentence, paragraph, or part of this Act shall, for any reason, be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered.

Amendments

Sec. 33. That the right to amend, alter, or repeal this Act is hereby expressly reserved.

(Here follows Exhibit "E" to Declaration, side folio 32e)

RECEIPT

LICENSED AND BONDED UNDER THE UNITED STATES WAREHOUSE ACT

ORIGINAL NEGOTIABLE

# WAREHOUSE RECEIPT FOR BALES OF COTTON

RECEIVED FOR STORAGE FROM _____

OF _____ BALES OF COTTON DESCRIBED HEREIN, STORED IN THE ABOVE-NAMED WAREHOUSE, FOR WHICH THIS RECEIPT IS ISSUED SUBJECT TO THE UNITED STATES WAREHOUSE ACT, THE REGULATIONS FOR COTTON WAREHOUSES THEREUNDER, AND THE TERMS OF THIS CONTRACT. SAID COTTON IS _____ BY THE UNDERSIGNED WAREHOUSEMAN AGAINST LOSS OR DAMAGE BY FIRE OR LIGHTNING. SAID COTTON IS ACCEPTED FOR STORAGE FOR ONE YEAR ONLY FROM THE DATE OF THIS RECEIPT, BUT UPON SURRENDER BY THE HOLDER THIS RECEIPT MAY BE EXTENDED OR A NEW RECEIPT ISSUED, AS PROVIDED IN SAID REGULATIONS. THE UNDERSIGNED WAREHOUSEMAN IS NOT THE OWNER OF THE COTTON COVERED BY THIS RECEIPT, EITHER SOLELY, JOINTLY, OR IN COMMON WITH OTHERS, UNLESS OTHERWISE STATED HERE _____ UPON THE RETURN OF THIS RECEIPT, PROPERLY ENDORSED, AND THE PAYMENT OF ALL CHARGES AND LIABILITIES DUE THE UNDERSIGNED WAREHOUSEMAN, AS STATED HEREIN, SAID COTTON WILL BE DELIVERED TO THE ABOVE-NAMED DEPOSITOR OR HIS ORDER.

ISSUED AT _____ ON _____ 192_

BY Exhibit "E"

THE UNDERSIGNED WAREHOUSEMAN CLAIMS A LIEN ON SAID COTTON FOR CHARGES AND LIABILITIES AS FOLLOWS: PER BALE

MARKS _____

*GRADE _____

*STAPLE _____

CONDITION _____

SEE REVERSE SIDE FOR TAG NUMBERS AND WEIGHTS

*ACCORDING TO THE OFFICIAL COTTON STANDARDS OF THE UNITED STATES

THE ISSUANCE OF A FRAUDULENT RECEIPT, OR ILLEGAL CONVERSION OR REMOVAL OF THE COTTON REPRESENTED BY THIS RECEIPT, IS PUNISHABLE BY A $10,00000 FINE, OR IMPRISONMENT FOR ONE YEAR, OR BOTH

49

32-"E"

Exhibit "E" to Declaration.

70A

[fol. 32f] Clerk's certificate to foregoing exhibits omitted in printing.

---

[fol. 33] [File endorsement omitted]

---

[fol. 34] In Circuit Court of Bolivar County

[Title omitted]

General Issue Plea—Filed Nov. 3, 1932

Now comes E. R. McLean, Sheriff and Tax Collector of Bolivar County, Mississippi, and Mrs. E. R. McLean, J. L. McLean, J. L. Smith, J. P. Wiggins, *M*m. Berger, *B*rs. W. M. Berger, R. E. Jackson, E. W. Brown, Jr., J. P. Manning, H. J. Inghram, A. E. Graham, E. R. Nobles, H. M. Laudig, W. M. Merritt, Ed. B. Hill, C. J. Craggs, E. H. Green, J. C. Windham, Nelson H. Floyd, and S. B. Johnson, sureties on the official bond of E. R. McLean, Sheriff and Tax Collector, by their attorney, and for plea to the second count of Plaintiff's declaration herein filed, say, they are not guilty of the wrongs and injuries whereof Plaintiff hath complained, nor are they indebted to the Plaintiff in the manner and form as alleged in Plaintiff's declaration, or in any other manner or amount whatsoever, and of this they put themselves upon the country.

W. W. Pierce, Assistant Attorney General, of Counsel for Defendants.

[File endorsement omitted.]

---

[fol. 35] In Circuit Court of Bolivar County

[Title omitted]

Agreement as to Agreed Statement of Facts—Filed Nov. 29, 1932

It is hereby stipulated and agreed by and between the complainant and defendant that the agreed statement of facts filed herein, and on which the peremptory instruction was granted to the defendant by the court, shall be used as the record of the trial upon the facts, without the necessity

of certificate by the Official Court Reporter, and without formal bill of exceptions.

This November 26th, 1932.

Federal Compress & Warehouse Company, by Green, Green & Jackson, Solicitor for Complainant. E. R. McLean, Sheriff & Tax Collector, by Greek L. Rice, Attorney General, by W. W. Pierce, Assistant Attorney General and Solicitor for Defendant.

[File endorsement omitted.]

---

[fol. 36] In Circuit Court of Bolivar County

[Title omitted]

Order Permitting Non-Suit as to All Defendants Except E. R. McLean, Sheriff, etc.—Filed Nov. 21, 1932

This cause coming on this date for hearing on request of plaintiff Federal Compress & Warehouse Company, for permission to take non-suit and dismissal as to all Defendants except the Defendant E. R. McLean, Sheriff & Tax Collector of Bolivar County, Mississippi, and the Court having considered said request in open court is of the opinion that the same should be allowed.

It is therefore ordered and adjudged that as to the Defendants Mrs. E. R. McLean, J. L. McLean, J. L. Smith, J. P. Wiggins, M. W. Berger, Mrs. W. M. Berger, J. P. Manning, H. J. Ingraham, A. E. Graham, E. R. Noble, H. M. Laudig, W. M. Merritt, Ed B. Hill, C. J. Craggs, E. H. Green, J. C. Windham, Nelson H. Floyd, and S. B. Johnson, a non-suit be and the same is hereby entered and this cause shall stand dismissed as to them without prejudice, such non-suit as to said defendants to be at the cost of the Plaintiff to be taxed and for all of which let execution and all proper process issue.

Ordered and adjudged this the 21st day of November, 1932.

—— ——, Circuit District Judge.

OK.

W. W. Pierce, Ass't Att'y Gen., Att'y for Def'ts.

[File endorsement omitted.]

[fol. 37] IN CIRCUIT COURT OF BOLIVAR COUNTY

[Title omitted]

AGREED STATEMENT AS TO FACTS, WITH RESERVATIONS OF RIGHTS AS TO QUESTIONS OF LAW—Filed Nov. 17, 1932

On the trial of the above entitled cause, it is agreed between counsel for the respective parties that either party hereto may introduce all or any part of this agreed statement of facts that may be desired, but this right to introduce shall not prejudice the right of either party hereto to object to any portion of the facts herein recited as being incompetent, irrelevant and/or immaterial, and the fact that the facts are herein recited shall in no way prejudice this right to object, they being inserted merely that each party respectively may present that which is desired.

It is agreed that E. R. McLean is the Sheriff and Tax Collector of Bolivar County, Mississippi, and has executed his official bond as shown by Exhibit "A" to the declaration.

The Federal Compress & Warehouse Company, herein called "Company," is a corporation duly chartered under the laws of Delaware, having its principal place of business at Memphis, Tennessee, and operating plants in Mississippi at many points, among others at Cleveland.

That cotton, when it ripens in the field, is picked by hand, put through a ginnery, by the process of which machine [fol. 38] the lint is removed from the seed, and the lint cotton is wrapped and tied into bales weighing approximately five hundred pounds each. A bale of cotton when wrapped and tied at the gin is approximately five feet in length, three and one-half feet in width, and four and one-fourth feet in height.

By general and uniform custom, bales of cotton from the gin are transported by rail or otherwise, as hereinafter described, to compresses. A compress is a combination storage warehouse and plant equipped with machinery designed to press bales of cotton, under extremely high pressure, for the purpose of reducing its size. A bale, after compression, is only about eighteen inches thick, the purpose of compression being that the railroads and carriers by water in interstate and foreign commerce, as hereinafter described, are enabled to load into cars and ships, for such

carriage, approximately three times as much cotton after compression as otherwise would be possible. Approximately twenty-five percent of the cotton which is bought and sold upon said market in Cleveland, and is transported to the compresses by automobile, truck, or wagon, and delivered by that means to said compresses. Approximately seventy-five percent of said cotton is transported to said compresses by rail over the lines of the Yazoo & Mississippi Valley Railroad Company, a common carrier engaged in interstate commerce, and which is the only such common carrier doing business at said market.

At Cleveland there is a compress owned and operated by a corporation existing under the Laws of the State of Delaware, to wit The Federal Compress & Warehouse Company. Said Federal Compress and Warehouse Company has, with reference to said Compress maintained at Cleveland, complied with all the terms and provisions of an act [fol. 39] of Congress, the short title of which is the "United States Warehouse Act," being Chapter 10, Title 7, U. S. C. A. The said Federal Compress and Warehouse Company complied with the terms and provisions of the said "United States Warehouse Act" for the reason that all of said cotton stored in the said compress and/or warehouses at Cleveland, Mississippi, and handled in the manner above described was and is cotton stored and handled therein for interstate and/or foreign commerce, except as later herein stated.

When cotton is delivered to said compresses, the said Federal Compress & Warehouse Company issues to the owner thereof warehouse receipts, which receipts comply in all things with the terms and provisions of said Act of Congress. Said cotton is universally sold upon the market by transfer and delivery of said warehouse receipts issued in accordance with the terms of said Act of Congress, and actual samples taken from said bales of cotton; said warehouse receipts being the evidence of the ownership of such cotton.

At Cleveland, there exists an active market for the purchase and sale of cotton between farmers raising said cotton and cotton brokers and others engaged in like business, who are purchasing the same with the intention and purpose of selling and transporting same in interstate and foreign commerce, which is and was and has been universal custom

and cousre of business for more than twenty years past. The price at which said cotton is sold upon said market at Cleveland, however, is determined by the value of such cotton upon certain cotton exchanges maintained, respectively, in the Cities of New Orleans, Louisiana, Chicago, Illinois, and New York, New York; and there are maintained, in the City of Cleveland, Mississippi, offices of brokers who receive daily [fol. 40] by wire, for periods of approximately five hours each day, continuous quotations from such exchanges which fix and determine the price at which cotton is sold upon said Cleveland market. All of said cotton, however, is bought with the uniform purpose and intention, except the "overs" hereinafter mentioned, (which is and has been the universal course of business) to transport the same in interstate and foreign commerce to the mills located in states upon the Atlantic seaboard, to-wit: Georgia, South Carolina, North Carolina, and Tennessee; and the mills of the New England States, to-wit: Massachusetts, Rhode Island, and Connecticut; and the mills of foreign countries. None of said cotton is spun or utilized within the confines of the State of Mississippi, or sold to, or purchased by any consumer within the confines of the State of Mississippi, except as later stated.

Approximately seventy-five per cent of said cotton is delivered by rail to said compresses at Cleveland, the said carrier transported by rail the said cotton to the said compress at Cleveland, and it is there concentrated merely for the purpose of compression and for the purpose of awaiting the determination of its final point of destination outside of the State of Mississippi. When the destination of such cotton is determined, the said carrier loads the same out on instructions of the then owner, after having the said cotton conpressed, and charges the through freight rate from the point of origin to the point of destination outside of the State of Mississippi, instead of charging the combined rate for carriage intrastate commerce from the point of origin to Cleveland, plus the charge for carriage in interstate commerce from Cleveland to the point of destination. The said carrier, instead of charging the combined rate above outlined for carriage from Loflin, Mississippi, to Mays Landing, N. J., charges the through-rate, which is the intermediate rate, as if there had been no interruption of shipment from Loflin, Mississippi, to Mays Landing,

[fol. 41] N. J. The said charges are made by said carriers in accordance with the regulations prescribed by the Interstate Commerce Commission in pursuance of the act of Congress creating said commission and the several amendments thereto.

The general and uniform custom and course of business in handling said cotton upon said market is had and done in the following manner:

The farmer causes warehouse receipts, when the cotton is delivered to the compress, to be issued and delivered either directly to himself or his agent, commonly called a cotton factor. Upon the Cleveland market, there are approximately twenty-five buyers and shippers who are engaged in the sole business of buying, selling and shipping cotton in interstate and foreign commerce. The farmer or the factor causes the actual bales of cotton to be sampled, and the cotton is sold to buyers, sellers, and shippers upon said market, upon the basis disclosed by the character of the samples of said cotton, and by endorsement and delivery of the said cotton receipts evidencing the ownership of the same, the price therefor being governed by the markets in New York, Chicago and New Orleans. It is uniformly known and understood by the farmer, cotton factor, and the buyer that the buyer is purchasing said cotton solely for the purpose of causing the same to be transported by rail and/or water to said points in the United States and foreign countries where mills convert said cotton into textile products as aforesaid. No cotton that is bought and/or sold upon the Cleveland market is utilized in the State of Mississippi, but all of said cotton, as aforesaid, is transported for consumption in interstate and foreign commerce, except as later stated.

The general and uniform custom among buyers, shippers, [fol. 42] and sellers, as well as the general course of business is that a buyer enters into a contract for either the future or immediate delivery of a certain number of bales of cotton of a certain class, grade, and staple, obligating himself by contract to deliver to a mill in a foreign state or country such cotton at a given price. Thereupon, such buyer will go upon the said market at Cleveland, and purchase cotton of the kind and character which he is obligated to his customer to deliver, and will cause the delivery of said cotton in interstate and/or foreign commerce in accordance

with the terms of his contract. A very small proportion of the cotton purchased by shippers, and cotton buyers (not exceeding ten per cent) is bought when no contract for the sale thereof exists, but, in such cases, it is bought with the sole anticipation and intention on the part of the buyer (which intention is fully known both to the buyer, farmer, and/or factor) to procure a sale of said cotton to some foreign mill or foreign cotton merchant, and to cause the same to be transported in the interstate and/or foreign commerce, as aforesaid, at such time as market conditions will justify.

In the purchase of cotton as above set forth a small proportion of the cotton was purchased varying from one percent to ten percent constituting what is known in the cotton trade as "overs", "of cotton which does not fit" and said overs arising from reclassification, rejection and preparation. As an incident to the purchase and shipment of this cotton by buyer and sellers, the same is sold locally, this small percentage of cotton for which they have no use, but which said latter cotton is eventually shipped out of the State of Mississippi by other cotton buyers of the same class for delivery on orders which they may have for cotton of this [fol. 43] particular grade, type or staple. The Company has a warehouse and compress at Cleveland, Mississippi, the capacity of the warehouse being more than 20,000 bales of cotton and less than 35,000 bales of cotton, and also has a compress there which compresses more than 30,000 bales of cotton, but less than 40,000 bales per annum, and a plat of said Compress and warehouse is hereto annexed, marked Exhibit "A" and made part hereof as if fully copied herein, and for the purposes of this suit alone, that said property in Cleveland has been lawfully assessed for all ad valorem taxation, and all state, county, municipal and levee board taxes, which have been piad; provided, nevertheless, that the making of this agreement shall not prejudice the right of the State, County, Levee District and/or municipality to have or recover any other or further taxes ad valorem which may be found to be due.

In usual practise, it takes from two and a half to three cars l-aded with uncompressed cotton inbound to a concentration point as compared with one car of compressed cotton outbound from the concentration point, and at Cleveland, as well as at a number of other points, the railroad

companies have employed this company to act as its limited agent by a contract dated the 1st day of February, 1930, a copy of which is hereto annexed, marked Exhibit "B", the pertinent portion ther-of being:

"The intent and purpose of this agreement, among other things, is to confirm the Compress Company as the limited agent of the Railroad Company for the purposes of receiving cotton from the Railroad Company, delivering cotton to the Railroad Company, loading and unloading cotton from and into the cars of said Railroad Company, making proper delivery of cotton in the custody of said Compress Company so far as concerns the interest of the Railroad Company, and as principal to furnish the premises for the use of the Railroad Company as a cotton depot under and subject to all of the terms and conditions [fol. 44] of this agreement and the lawfully published tariffs and regulations of the Railroad Company from time to time in effect with respect to the transportation and handling of cotton."

Pursuant to that contract this Company has performed for many years last past and is now performing.

A typical movement of cotton is illustrated by the Exhibits hereto annexed as to an inbound shipment of 36 bales of uncompressed cotton, which originated at Loflin, Mississippi, a station about five miles from Cleveland. These 36 bales of cotton were received at Cleveland, Mississippi, on Yazoo & Mississippi Valley Railroad Company's Expense Bill No. 402, dated December 16, 1932, made Exhibit "C" hereto.

The shipment weighed, as thereon noted, 18,023 pounds, and moved into Cleveland, Mississippi, on a floating rate from Loflin, of 17¢ per 100 pounds. This cotton was weighed upon arrival, retagged with tags furnished by the Company, receiving weight sheets were issued per Exhibit "D" hereto annexed, in triplicate.

Whereupon, 36, individual warehouse receipts were issued covering the cotton, with each individual bale weight shown thereon, as per Exhibit "E" hereto attached.

The cotton was also sampled upon arrival and the company delivered a copy of the weight sheet, samples and warehouse receipt to the owner of this cotton, which owner then classed these 36 bales of cotton into lots of even run-

ning grade and staple, placing that part of the 36 bales with other cotton, according to its respective class, subsequently shipping said 36 bales for consumption as follows:

January 18, 1932.—5 bales in 27 bale shipment marked V A T P/M destined to Mays Landing, N. J.

January 20, 1932.—1 bale in 6 bale shipment marked V A P P/M destined to Goldville, S. C.

[fol. 45] January 22, 1932.—32 bales in 50 bale shipment marked G A A P/M destined to Manchester, England.

February 16, 1932.—4 bales in 6 bale shipment marked E A A T/M destined to Mays Landing, N. J.

February 24, 1932.—1 bale in 7 bale shipment marked N C A N destined to Liverpool, England.

February 27, 1932.—1 bale in 14 bale shipment marked V A X P/M destined to Goldville, S. C.

March 3rd, 1932.—1 bale in 179 bale shipment marked D H N T destined to Gunterville, Ala.

The above warehouse receipts, as covered by Exhibit "E" were surrendered and the cotton was shipped on shipping orders from the cotton shipper, *manely*, the Staple Cotton Cooperative Association, as per Exhibit "F" hereto attached, from Cleveland, Mississippi, to the above destinations, covered by Yazoo & Mississippi Valley Railroad Company bills of lading, as per Exhibit "G" attached, and moved from Cleveland to the above mentioned destinations over the Yazoo & Mississippi Valley Railroad and connecting carriers and/or ships as per Exhibit "H" hereto attached.

This cotton was concentrated at Cleveland by the Cooperative Association from its members for the purpose of orderly marketing and was shipped out by it, but the vast majority of cotton concentrated there is handled as hereinabove detailed.

The cotton remains in the warehouse until the owner desires to have it shipped, when such owner, as hereinbefore indicated, does those things hereinbefore set out, whereupon in virtue of these things so done, the cotton is shipped as directed. The identity of each bale of cotton is not preserved in reshipping from the concentration point, substitution is permitted with the understanding that the integrity of the through rate from the original shipping point to ultimate destination is preserved.

[fol. 46] The rules and regulations covering the concentration of cotton at Cleveland, the compression and protection of the through rate, as well as the amount to be paid for compression, namely 15¢ per cwt., is covered by Yazoo & Mississippi Valley Railroad Co.'s tariff No. 44-G, I. C. C. No. 6828 and supplement No. 20 to this tariff, as per Exhibit "J" hereto annexed, which tariff has been regularly published and filed with the Interstate Commerce Commission in pursuance of the Act to Regulate Commerce and the several amendments thereto. That the compression charge of 15¢ is paid by the carrier.

Below is an example showing how the Interstate rate applies to the five bales of cotton marked V A T P/M which originated in this 36 bale shipment:

It was shipped from Laughlin, Miss., to Cleveland, Miss., for the purposes mentioned herein and a floating-in rate of 17¢ per cwt. assessed. We find a through rate quoted from Laughlin, Miss., via Cleveland, Miss., to Mays Landing, N. J., on carriers privilege of compression of $1.17 per cwt. In the shipping of these five bales of cotton and the prepaying of the total amount of freight due (using 500 pounds to the bale) which is $5.85 per bale, there was delivered to the railroad a freight bill covering the movement of five bales of cotton into Cleveland, Miss., for which a charge of 85¢ per bale (using 500 pounds to the bale) was assessed, and the Railroad accepted the freight bill for the full value thereof, and the shipper paid to them the difference between the rate of freight quoted from Laughlin, Miss., to Mays Landing, N. J., and the amount paid for the movement of the cotton from Laughlin, Miss., to Cleveland, Miss., which is $1.00 per cwt., or $5.00 per bale, and out of the latter rate the Railroad paid the Cleve-
[fol. 47] land compress 15¢ per cwt. or 75¢ per bale for compressing the cotton.

At Cleveland there is but one compress and warehouse owned and operated by this Company, and this Company, as to its warehouse, has complied with all of the terms and provisions of the Act of Congress, the short title of which is the United States Warehouse Act, being Chapter 10, Title 7, U. S. C. A. The Company has fully complied with the terms and provisions of said Act and all cotton moving through said warehouse for the last five years except ten bales, which were shipped uncompressed to a cotton

mill in Mississippi, has moved through Cleveland as a concentration point to Interstate and foreign points.

When cotton is delivered to the Company, it issues those warehouse receipts pursuant to the Act of Congress, which receipts are in the form prescribed by the Department of Agriculture and conformed to the provisions of said Act. At Cleveland there exhists an active market for the purchase and sale of cotton between farmers raising the same and others who are purchasing the cotton as hereinabove delineated. The Staple Cotton Cooperative Association also assembles the cotton for orderly marketing with the same intent as if it were a cotton buyer, and when and as it has assembled the same, ships the cotton out as above delineated.

Cotton was introduced, as it is thought, into Mississippi by the French, who are assumed to have bought it from San Domingo, and its first historical appearance is at a garden at Natchez, in 1722, by 1820 Mississippi had become a substantial grower of cotton. By 1830 it was producing approximately 100,000 bales annually. 1840 it lead all of the states in the production of cotton with 386,803 bales. Then came the Civil War with the disorganization incident [fol. 48] thereto. However, by 1869 it was enabled to produce in that year 451,950 bales, and 1879, 963,111 bales. In 1889 it produced 1,154,725 bales, ranking third among the states of the American Union, Texas being first, Georgia second. In 1899 Mississippi produced 1,313,798 bales, with Texas first, and at present time the State is regarded as the cecond in the produc-ion of cotton as compared with the other states of the American Union.

Annexed as Exhibit "K" is a statement showing the years beginning 1901, acres harvested, the yield in Mississippi and the total yield in Continental United States. The consumption of cotton in Mississippi is as shown by Exhibit "L" hereto annexed, but the number of active spindles in 1930 was only 131,284, but there has been a tendency for more spindles to become active. The total number of bales of cotton consumed by these mills does not come all from Mississippi. The proportion arising in Mississippi is impossible to ascertain, but by far the greater part is Mississippi cotton.

Cotton is the great cash crop of Mississippi and has been so for many years last past. Cotton not consumed in Mississippi is exported from Mississippi.

The warehouse and compress at Cleveland has been operated as a United States licensed warehouse since 1916, pursuant to the Act above referred to, and a copy of the license is annexed to the declaration, and also a copy of the bond required by the United States, the company having made application with the Secretary of Agriculture for a license under said Act, which the Secretary granted, making the determination as to said warehouse being necessary and suitable for the storage of cotton, and classified said warehouse in accordance with its ownership, location, etc., before issuing said certificate. A copy of the rules [fol. 49] prescribed is annexed as Exhibit "B" to the declaration, and since 1925 this company at Cleveland has been a licensed Federal Warehouse and has made all reports of it required by the Secretary of Agriculture under said Act as to its condition, contents and operation, and it is the purpose of the plaintiff to continue so to operate said warehouse during the remainder of said year, having already so operated it from May 1, 1932 in strict compliance with said statute and rules and regulations made thereon.

Plaintiff paid under protests the several amounts shown as privilege taxes as a compress and a warehouse, which are taxed separately by the Laws of the State of Mississippi, the rate for compression being 15¢ per hundred pounds which charge or compression allowance has been found reasonable by the Interstate Commerce Commission for East of the Mississippi River.

No cotton has been compressed by the Company until it was ready to move out of the warehouse by rail, but ten bales of cotton during the last five years did move uncompressed to a Mississippi mill.

It is further agreed that the plaintiff herein, the Federal Compress and Warehouse Company, does not buy or sell cotton, nor own any interest in same; that when cotton is shipped out of the Warehouse, bills of lading therefor are not issued to the plaintiff but to the owner of such cotton as is evidenced by the ownership of warehouse receipts; that the movement of cotton out of the warehouse is directed by the owner of same as evidenced by

the ownership of warehouse receipts; that the plaintiff does not own or operate directly or indirectly, any facilities for transporting cotton from its warehouse at Cleve- [fol. 50] land, Mississippi, to points *within* or without the boundaries of the State of Mississippi, and is not a carrier of property for hire or otherwise.

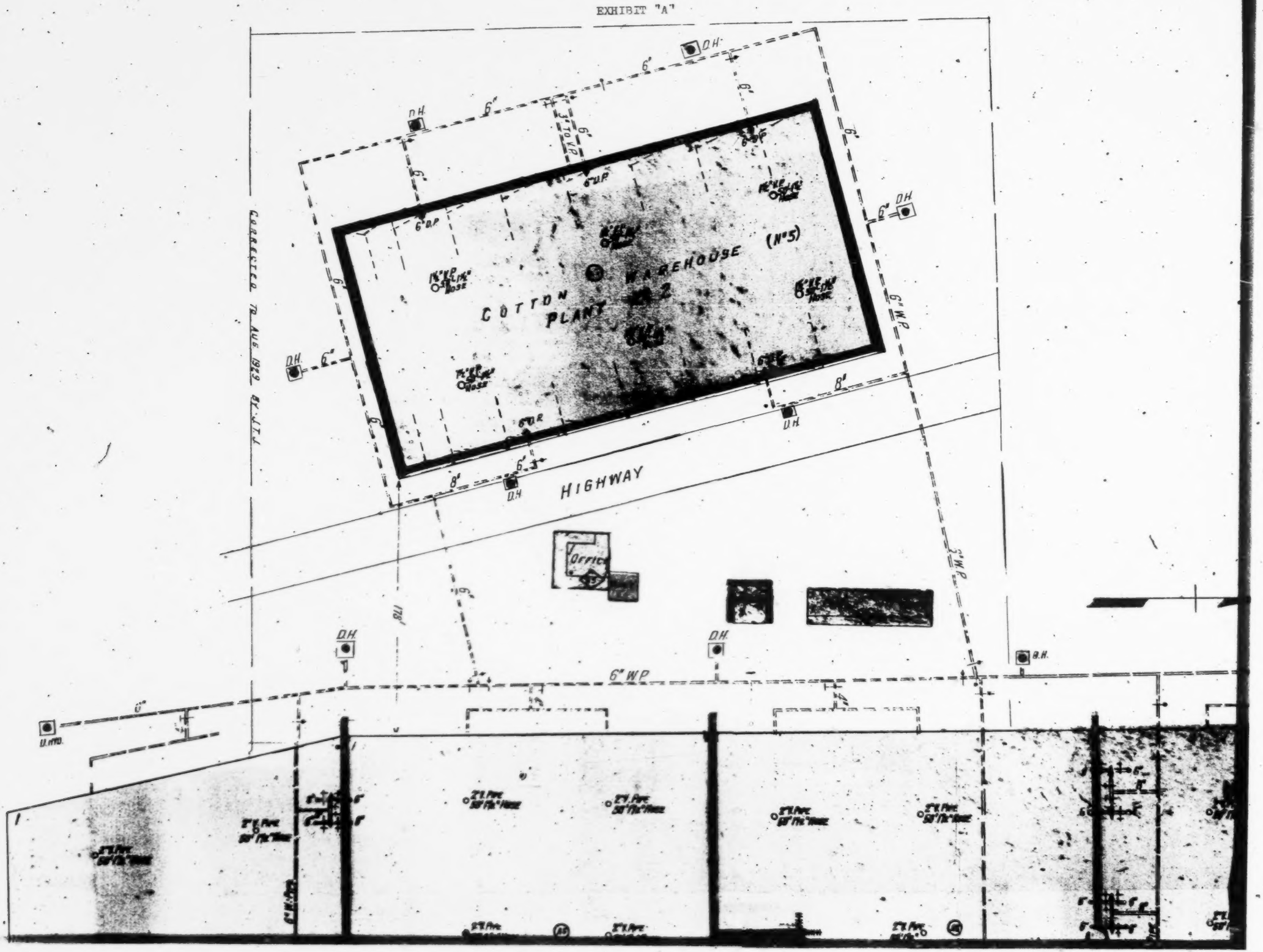
This November 15, 1932.

Green, Green & Jackson, by Forest B. Jackson, Attorney for Plaintiff. Greek L. Rice, Attorney General of Miss., by W. W. Pierce, Assistant Attorney General, Attorneys for Defendants.

[File endorsement omitted.]

(Here follows Exhibit "A," map, side folio 50a)

EXHIBIT "A"


CORRECTED TO AUG 1942 BY J.T.J.
COTTON PLANT WAREHOUSE (N°5)
HIGHWAY
Office
D.H.
6" W.P.
8"
6'
U.HYD.

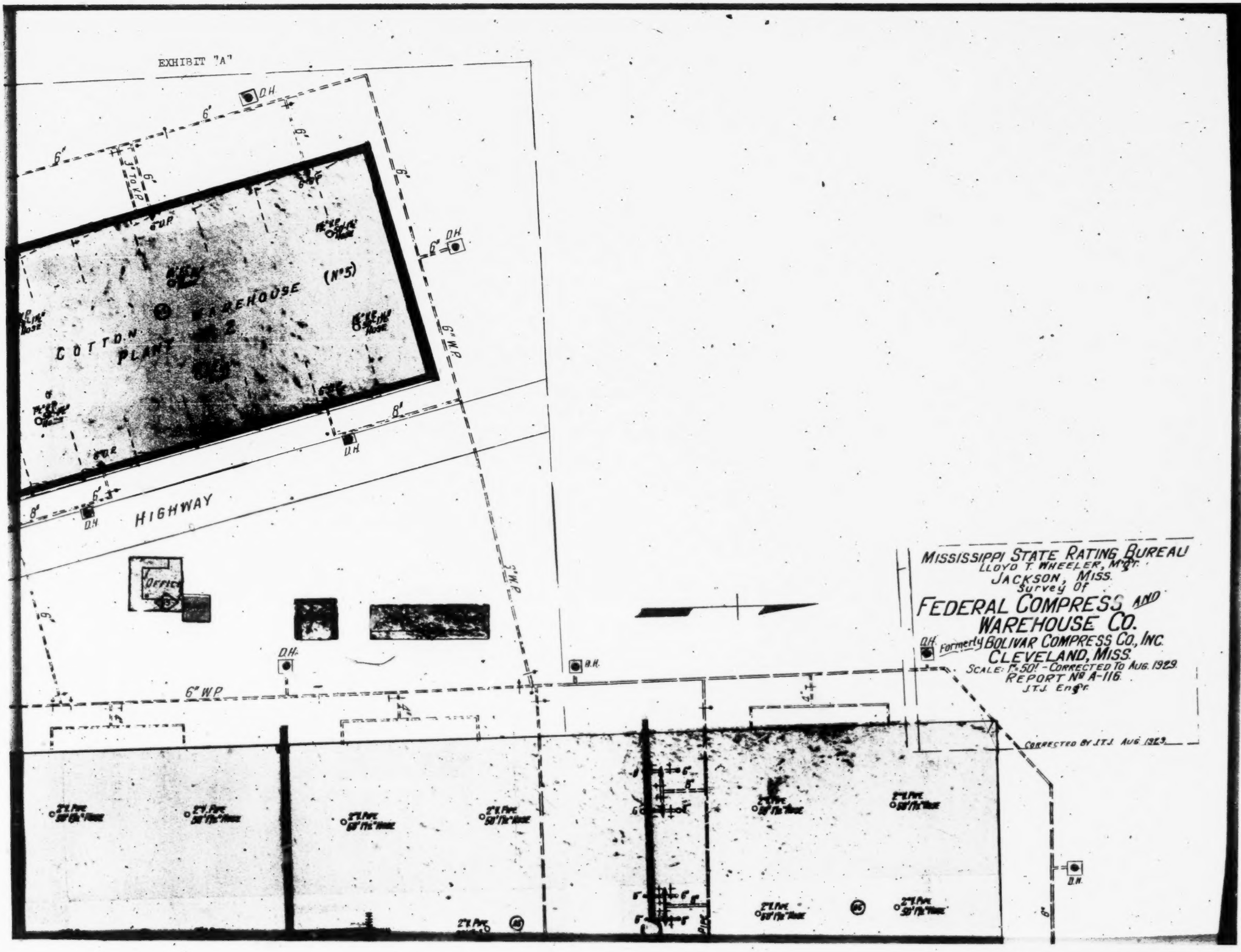
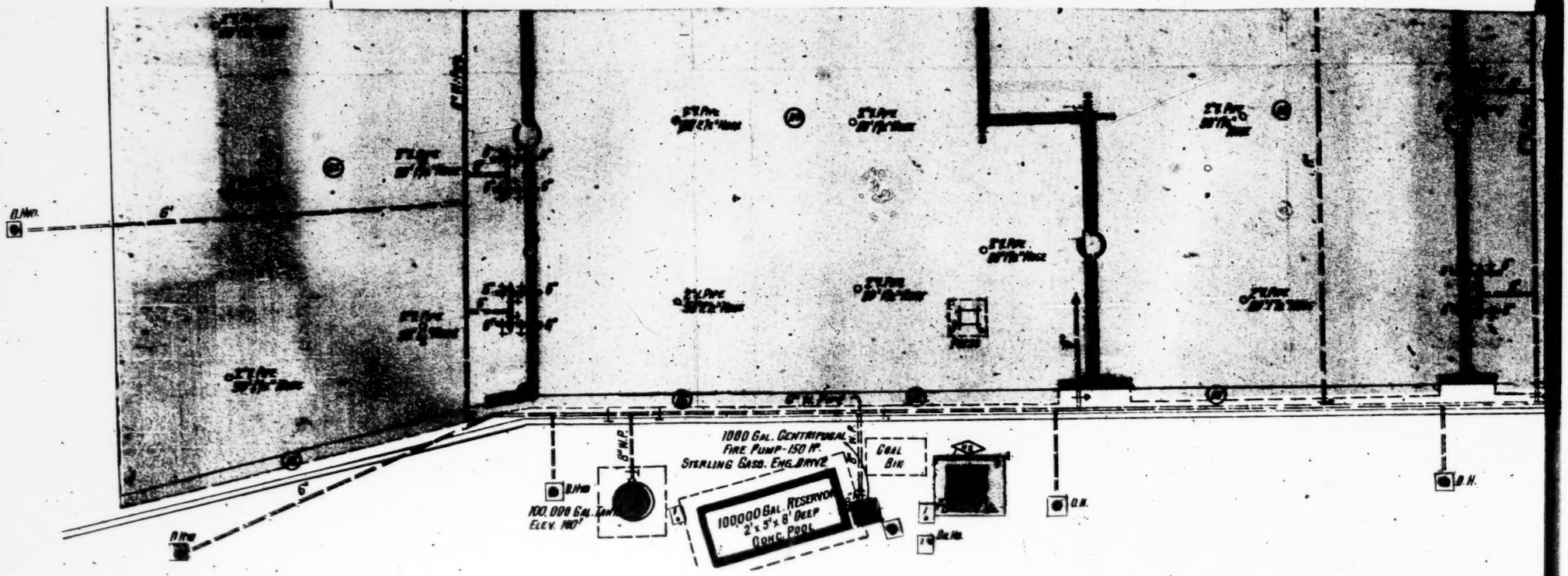
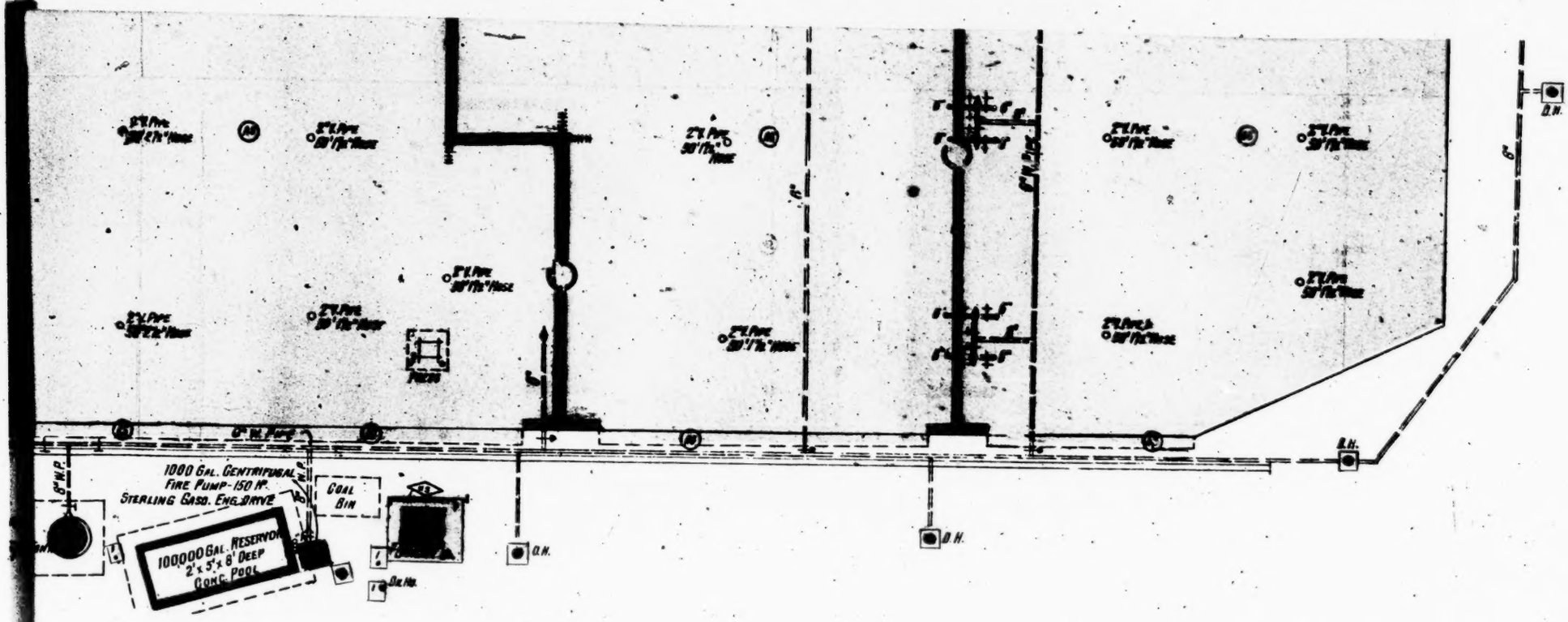


EXHIBIT "A"
D.H.
6'
3' To W.P.
6" W.P.
8'
COTTON PLANT
WAREHOUSE
(No 5)
HIGHWAY
Office
D.H.
6" W.P.
MISSISSIPPI STATE RATING BUREAU
LLOYD T. WHEELER, Mgr.
JACKSON, MISS.
Survey of
FEDERAL COMPRESS AND WAREHOUSE CO.
Formerly BOLIVAR COMPRESS CO., INC.
CLEVELAND, MISS.
SCALE: 1"=50' - CORRECTED TO AUG. 1929.
REPORT No A-116.
J.T.J. Engr.
CORRECTED BY J.T.J. AUG. 1929.
2" V. Pipe
Dis.


D.Hyd.
6"
6"
6" W.P.
8" W.P.
1000 Gal. Centrifugal
Fire Pump - 150 H.P.
Sterling Gass. Eng. Drive
Coal
Bin
100000 Gal. Reservoir
2' x 5' x 8' Deep
Conc. Pool
D.H.
D.H.


1000 Gal. Centrifugal
Fire Pump-150 H.P.
Sterling Gaso. Eng. Drive
100000 Gal. Reservoir
2'x 5'x 8' Deep
Conc. Pool
Coal Bin
D.H.
D.H.
D.H.
6" W.P.
6" W.P.

50-A

[fol. 51] EXHIBIT "B"

AB—2M—9-29. V. P. ACCTG. 160-A

This agreement, made in duplicate and entered into this first day of February, A. D. 1930, between the Yazoo & Mississippi Valley Railroad Company, hereinafter called "Railroad Company," and Federal Compress and Warehouse Company, a corporation organized and existing under the laws of the State of Delaware and hereinafter called "Compress Company,"

Witnesseth:

That, Whereas, the situation leading to the making of this agreement is as follows:

The Compress Company owns and operates a cotton compress in the City, or in each of the Cities as the case may be, of Helena, Ark., Gibsland, Monroe and New Orleans, La., Clarksdale (plants # 1 and # 2), Cleveland, Drew, Greenwood, Grenada, Jackson (plants # 1 and # 2), Ruleville and Shaw, Miss., Memphis (Riverside and South Memphis plants), Tenn., and the Railroad Company owns or operates certain tracks which connect, directly or through connecting lines, its railroad with the premises and property of the Compress Company in said City or Cities.

[fol. 52] As used herein, the term "compress track" means the industrial track or tracks alongside the platforms of the Compress Company; and the term "cotton" means lint cotton and/or cotton linters, both in bales.

That by reason of the nature of cotton and the commercial practices and customs under which it is handled, and by reason of the conditions of buying, selling, storing and transporting it, and by reason of and for the general convenience of all concerned, the Railroad Company and the Compress Company agree and covenant to occupy and use jointly the property and premises of the Compress Company for the several purposes and to the extent hereinafter set forth:

The intent and purpose of this agreement, among other things, is to confirm the Compress Company as the Limited Agent of the Railroad Company for the purposes of receiving cotton from the Railroad Company, delivering cotton to the Railroad Company, loading and unloading cotton from and into the cars of said Railrad Company,

making proper delivery of cotton in the custody of said Compress Company so far as concerns the interest of the Railroad Company, and as principal to furnish the premises for the use of the Railroad Company as a cotton depot under and subject to all of the terms and conditions of this agreement and the lawfully published tariffs and regulations of the Railroad Company from time to time in effect with respect to the transportation and handling of cotton.

To give this agreement full force and effect it is mutually agreed and understood:

1. That the Railroad Company will pay for its use of the premises and property of the Compress Company as herein set forth, and for the several services herein re-
[fol. 53] ferred to, the sum of One Dollar ($1.00), in full for the term of this agreement, the receipt whereof is hereby duly acknowledged by the Compress Company, and that the Compress Company will set apart and designate within the premises of said Compress Company a place agreed to by the Railroad Company where the Railroad Company will receive the cotton described in Subdivision (a) of Section 2 hereof for the purposes of shipment.

2. As set out below, the Compress Company will promptly receive and receipt for, unload from cars, shelter when practicable, compress and load into cars, in order of receipt, or as may be otherwise directed by the Railroad Company, the following cotton:

(a) Cotton delivered by its owner to Compress Company for shipment. Compress Company agrees, when so directed by the owner, to load cotton into cars of Railroad Company when they are placed for this purpose alongside of compress platform, and delivery to the Railroad Company shall be complete when cotton is loaded into the car, loading certificate of Compress Company filed with the Railroad Company and complete shipping instructions given to the Railroad Company. Delivery by Compress to Railroad Company shall also be complete even though loading certificate of Compress Company has not been filed with Railroad Company and/or even though complete shipping instructions have not been given to

Railroad Company whenever a car containing cotton is moved by Railroad Company from place of loading.

(b) Cotton consigned to compress points on straight bill of lading. Compress Company agrees to receive from the Railroad Company cotton for account of consignee or owner whenever Railroad Company has placed the car containing such cotton alongside the compress platform and the delivery by Railroad Company to Compress Company shall be complete when the Compress Company has unloaded and checked same against a written statement of [fol. 54] the contents of such car furnished the Compress Company by the Railroad Company, checking to be done at the time of unloading from car and unloading to be done without discrimination among railroads and/or shippers.

(c) Cotton destined to compress points, consigned to "order", or in any other manner, which is to be held by the Compress Company for account of the Railroad Company until released by the Railroad Company. The Railroad Company may place the cars containing such cotton alongside the compress platform, and when the Railroad Company furnishes to the Compress Company a written statement of such cotton showing plainly that it is covered by "order" bill of lading or is for any other reason to be held for account of the Railroad Company, the Compress Company agrees to receive, unload and hold such cotton and to be responsible and liable to the Railroad Company for the loss thereof or damage thereto, occasioned in any manner howsoever other than by fire, the act of God, the public enemy, the authority of law, or the act or default of the shipper or owner, or from natural shrinkage, until such cotton is released in writing by the Railroad Company.

(d) Cotton covered by through bills of lading delivered by the Railroad Company to the Compress Company for compression. The Compress Company agrees to receive and unload such cotton when cars containing the same are placed alongside compress platform and a written statement of said cotton is furnished to the Compress Company, and further agrees promptly to compress and reload such cotton and furnish to the Station Agent of the Railroad Company a loading certificate therefor. In no case shall the Compress Company hold such cotton to exceed

[fol. 55] forty-eight (48) hours without the consent of the Railroad Company, and the Compress Company further agrees to be responsible and liable to the Railroad Company for any loss thereof or damage thereto occasioned in any manner other than by fire, the act of God, the public enemy, the authority of law, or the act or default of the shipper or owner, or from natural shrinkage, provided, however, that if the Compress Company shall be unable to handle cotton at any time by reason of congestion at or accident to its plant, the Compress Company has the right to cease temporarily to receive cotton referred to in subdivisions (b), (c) and (d) of this Section 2 from the Railroad Company at such compress where such inability exists during the continuance thereof, upon the Compress Company first serving written notice to that effect upon the Station Agent of the Railroad Company at such compress point, said notice, however, to apply only to cotton received by the Railroad Company at the points of shipment thereof after thirty-six (36) hours from 7.00 A. M. of the day following the service of such written notice upon said Station Agent. The Compress Company shall promptly give written notice to said Station Agent when its inability to so handle cotton will terminate.

3. The Compress Company agrees to promptly and carefully check all cotton at the time of unloading against the written statements delivered to it by the Railroad Company; to receipt to the Railroad Company for all cotton delivered by the Railroad Company to the Compress Company and to deliver the warehouse receipts to the Railroad Company when requested by the Railroad Company so to do and to promptly furnish to the Station Agent of the [fol. 56] Railroad Company at point of delivery written reports in detail of any discrepancies or damage.

4. Freight and other charges on inbound shipments, if correct, shall be paid by the Compress Company within forty-eight (48) hours after delivery of shipment to the warehouse of the Compress Company.

5. The Compress Company agrees to mark, or require the shipper to mark, each bale of cotton tendered to the Compress Company for shipment, described in Subdivision (a) of Section 2 hereof, in a manner satisfactory to the

Railroad Company. The Compress Company further agrees to restore stencil markings, and replace other markings, upon through cotton described in Subdivision (d) of Section 2.

6. The Compress Company agrees to promptly load cotton when directed by the Railroad Company, properly marked and compressed to comply with all applicable tariff and/or maritime regulations, into cars in quantities (whenever practicable), or not less than 75 bales in a 36-foot car 8½ feet high, other cars proportionately, and close end and side doors, strip and seal same with materials furnished by the Railroad Company, furnishing Railroad Company with written statement of the contents and markings thereon, and all loading certificates shall show any apparent deficiencies, blemishes or exceptions on cotton covered by same.

7. The Compress Company agrees to keep a record of seals on all cars containing cotton received from the Railroad Company and unloaded by the Compress Company, and a record of seals on all cars loaded with cotton by the Compress Company and which are to move out over the [fol. 57] rails of the Railroad Company.

8. The count made by the Railroad Company or by the connections of the Railroad Company at time shipments are so unloaded as being the correct count of the number of bales of cotton unloaded from any car under the seals of the Compress Company, at point where such seals are broken, shall be final and conclusive as between the parties hereto, for the purpose of this agreement, as to the number of bales of cotton loaded in said car. Said count to be promptly and carefully made, and in case of discrepancies, to be rechecked and differences reported to the Compress Company within sixty (60) days thereafter. That all claims arising hereunder shall be promptly settled by the Compress Company, and in any event within sixty (60) days after the rendition of same.

9. The Railroad Company will report promptly to the Compress Company, and hold subject to Compress Company's order, all cotton it checks over, or which is checked over and reported to the Railroad Company by its connections, under the Compress Company's seals; and on in-

structions from the Compress Company, cotton so checked over, which has been erroneously forwarded by the Compress Company will be forwarded dead-head astray while on the line of the Railroad Company, and further, the Railroad Company will request its connections to so forward said over cotton.

10. Compress Company agrees to report in writing at close of each month any cotton it checks over from Railroad Company and deliver on demand to Railroad Company and all such bales of cotton, received on said premises via Railroad Company at any previous time, which Compress Company shall at any time within said month have in its possession, custody or control at any place as an [fol. 58] "over", or to pay to Railroad Company the equivalent thereof in cash.

11. The Compress Company agrees to compress all cotton to a density of at least 22½ pounds per cubic foot and to place on each bale intended for export not less than eight bands and on all other bales not less than seven bands per bale. The Compress Company further agrees that the density of compression and the banding on shipments moving through ports will conform to the maritime regulations of the port through which the cotton moves and that the Compress Company will reimburse the Railroad Company for any expense incurred by reason of failure of the Compress Company to observe such regulations or by reason of the failure of the Compress Company to compress and securely band all cotton handled by it under the terms of this agreement.

12. Account of being unable to exactly place the responsibility for cotton arriving at ports with broken bands, the Compress Company agrees to pay fifty per cent and the Railroad Company fifty per cent of any expense incurred in the re-banding of such cotton.

13. The Compress Company guarantees that all certificates, receipts, loading tickets or similar documents issued by it, or by anyone in its employ authorized to issue same, are genuine and represent cotton actually in possession of the Compress Company, and further agrees that except as noted thereon each and every bale covered thereby is a merchantable bale and is in good condition. The Com-

press Company further covenants to hold the Railroad Company harmless against all loss, damage and expense, excepting any loss, damage or expense resulting from fire, the act of God, the public enemy, the authority of law, or [fol. 59] the act or default of the shipper or owner, or for natural shrinkage, which the Railroad Company may incur or be put to on account of the non-delivery by the Compress Company to the Railroad Company of the cotton covered by the certificates, receipts, loading tickets or similar documents of the Compress Company, or the delivery to any party whatever of cotton in violation of any of the terms and conditions of this agreement. The Compress Company shall also furnish to the local agent of the Railroad Company at the compress point, a list and signatures of all persons authorized by the Compress Company to issue such certificates, receipts, loading tickets or similar documents for account of the Compress Company, which said list shall at all times be kept corrected to date.

14. The condition of the cotton at the time it is checked out of the cars under the seals applied to the Compress Company shall be the test to determine whether the provisions of Sections 11 and 13 hereof have been complied with by the Compress Company.

15. The Railroad Company agrees to pay and the Compress Company to accept, in full payment, in so far as the Railroad Company is concerned, for all services hereunder the compression allowance authorized in the Railroad Company's current tariffs on cotton, compressed by the Compress Company for the Railroad Company's account and moved from the compress over the rails of the Railroad Company.

16. The Railroad Company will, during the life of this agreement, provide and maintain adequate fire insurance, for its own benefit and in its own name, covering all cotton [fol. 60] to be held by the Compress Company for account of the Railroad Company as specified in this agreement. The Compress Company will reimburse the Railroad Company the amount paid by the Railroad Company in premiums on such insurance covering cotton specified in Subdivision (d) of Section 2 hereof, for the period beginning when such cotton is unloaded and ending when it is compressed and reloaded.

17. The Compress Company will be, and is, responsible and liable to the Railroad Company for the loss of, or damage to all cotton whether compressed or not compressed, occasioned in any manner howsoever, other than by fire, the act of God, the public enemy, the authority of law, or the act or default of the shipper or owner, or for natural shrinkage, while in the custody, possession or control or upon the premises of the Compress Company, in buildings, sheds, yards, platforms, or elsewhere, and whether actually or constructively delivered to the Compress Company, the responsibility and liability of the Compress Company under this contract to continue during and be limited to the responsibility and liability of the Railroad Company as a common carrier or warehouseman for said cotton until said cotton shall be loaded into cars as aforesaid and removed from the compress and premises of the Compress Company by the Railroad Company or is delivered to the owner.

In the event that the Compress Company shall at any time fail to do any of the matters and things as by it agreed to be done as set forth herein, the Compress Company shall indemnify the Railroad Company and save it harmless from all costs and expenses incurred by reason of failure of the Compress Company so to do, and shall reimburse and pay [fol. 61] to the Railroad Company any and all sums of money which the Railroad Company may be compelled to pay in any suit or suits arising therefrom.

18. The Compress Company agrees, when requested, to furnish to the Railroad Company reports and certified statements of the number of bales of cotton on its premises, showing, first the number of bales held for the Railroad Company; second, the number of bales held for account of each other interested carrier, if any; third, the number of bales held for other accounts, also the total number of bales of cotton compressed during each month, and the total number, if any, of bales of cotton already compressed received at the compress each month.

The Compress Company further agrees that the premises of the Compress Company and all books, accounts, records and papers of the Compress Company referring to or in any manner connected with the receipt, compression, unloading, loading and delivery by the Compress Company of cotton under the terms of this agreement shall be open at all times during the term hereof to the inspection of any

duly authorized representative or representatives of the Railroad Company.

19. This agreement shall be and remain in full force and effect between the parties hereto and their respective successors and assigns, from and after the date hereof, and continue in full force and effect until the end of sixty (60) days after either party hereto shall have served upon the other, notice in writing, of its election to terminate the same; Provided, however, that the Compress Company may, at its option, close any compress covered by this agreement sixty (60) days after the service of notice in writing upon [fol. 62] the Station Agent of the Railroad Company at the compress point of its desire and intention so to do, and at the expiration of sixty (60) days after the service of such notice all obligations of the Compress Company to receive and handle cotton at the compress designated in such notice shall cease and determine; and provided, further, that in case of the total or substantial destruction by fire or other casualty of any compress operated hereunder, which shall render it inexpedient, in the opinion of the Compress Company, to rebuild such compress, the Compress Company may, at its option, terminate this agreement as to such compress by giving written notice of such termination to the Station Agent of the Railroad Company at the compress point, but it is further expressly understood and agreed that the termination of this agreement as to any compress by either of the methods herein provided shall not operate in any manner howsoever to release or relieve said Compress Company, or the surety on the bond provided for in Section 20 hereof, from any liability to the Railroad Company theretofore accruing in any manner howsoever.

20. The Compress Company will provide and continuously maintain during the term of this agreement a bond duly executed by said Compress Company to the Railroad Company with surety thereon, approved by the Railroad Company, and in form satisfactory to the Railroad Company, in the sum of (see special bond) dollars ($—), conditioned upon, and to cover and provide for the full and faithful performance by the Compress Company of all its covenants and obligations in this agreement contained, and for the protection of the Railroad Company from any and all loss, damage, cost or expense, by reason of any breach of said

covenant or failure by the Compress Company to perform its obligations hereunder or any of them, such bond to be [fols. 63-76½] immediately filed with the Railroad Company and to be renewed or extended or increased in amount as the said Railroad Company may from time to time require.

In witness whereof, the parties hereto have caused this agreement to be executed by their proper officers thereunto duly authorized, respectively and their respective corporate seals to be hereto attached and attested, the day and year first above written.

The Yazoo & Mississippi Valley Railroad Company, by G. J. Bunting, its Vice-President. Attest: Burt A. Beck, Assistant Secretary. Federal Compress and Warehouse Company, by R. L. Taylor, Its President. Attest: V. E. Lundy, Secretary.

EXHIBIT C

THE YAZOO & MISSISSIPPI VALLEY RAILROAD COMPANY Form Y-166-4

CONSIGNEE AND DESTINATION

CASHIER'S MEMORANDUM

Staple Cotton Coop Assn Care Comp

STATION: Cleveland Miss DATE: 12.16.31.

ROUTE—POINT OF ORIGIN TO DESTINATION:

FREIGHT BILL NUMBER: 402-

| WAYBILLED FROM | WAYBILL DATE AND NUMBER | FULL NAME OF SHIPPER | CAR INITIALS AND NUMBER |
|---|---|---|---|
| Cleveland Miss. | 12.14.31. C-22 | RM Dakin, Laughlin, Miss. | Ic 330430- |

| POINT AND DATE OF SHIPMENT | CONNECTING LINE REFERENCE | PREVIOUS WAYBILL REFERENCE | ORIGINAL CAR INITIALS AND NUMBER |
|---|---|---|---|
| | | | |

| NUMBER OF PACKAGES, ARTICLES AND MARKS | WEIGHT | RATE | FREIGHT | ADVANCES | TOTAL |
|---|---|---|---|---|---|
| 36 Bales Flat Cotton , Marked (D | 18023 | .17 | 30; 64 | | 30.64 |

3590 ✓ 3613 ✓ 3630 ✓ 3625 ✓
3594 ✓ 3614 ✓ 3631 ✓ 3629 ✓
3595 ✓ 3617 ✓ 3632 ✓
3596 ✓ 3618 ✓ 3633 ✓
3597 ✓ 3619 ✓ 3634 ✓
3598 ✓ 3620 ✓ 3635 ✓
3600 ✓ 3621 ✓ 3636 ✓
3602 ✓ 3622 ✓ 3637 ✓
3603 ✓ 3624 ✓ 3638 ✓
3605 ✓ [illegible] 3623 ✓
3607 ✓ 3628 ✓ 3626 ✓
~~3612 ✓~~ ~~[illegible]~~ ~~3627 ✓~~

Certified

COPY of Original, Dated Dec. 16.th 1931

H P Gueymard

Agent.

Total Prepaid $_____ TOTAL

Make Checks Payable to THE YAZOO & MISSISSIPPI VALLEY RAILROAD COMPANY

THE SOUTH AND WEST

76-"A"

EXHIBIT "D"

WEIGHT SHEET

## Received at FEDERAL COMPRESS & WAREHOUSE CO.

CLEVELAND, MISSISSIPPI

Pkg. Cleveland, Miss. #402-12-16 32 Bales 330430

For Account of Staple Cotton Cooperative Assn

Covered by B-L No. _____ Date 12-16-31 From Laughlin Miss

| DATE | PLANTERS Mark | PLANTERS Number | TAG NUMBER | WEIGHT | REMARKS |
|---|---|---|---|---|---|
| | D | 3612 | 388432 | 510 | |
| | K | 6321 | 433 | 365 | |
| | D | 3630 | 434 | 405 | |
| | | 3607 | 436 | 508 | |
| | | 622 | 437 | 445 | |
| | | 3605 | 438 | 446 | |
| | | 3623 | 439 | 410 | |
| | | 3614 | 440 | 468 | |
| | | 3618 | 441 | 375 | |
| | | 3617 | 442 | 340 | |
| | | 3619 | 443 | 545 | |
| | K | 3602 | 444 | 391 | |
| | D | 2620 | 445 | 555 | |
| | K | 3629 | 446 | 521 | |
| | | 594 | 447 | 645 | |
| | D | 597 | 448 | 433 | |
| | | 596 | 449 | 445 | |
| | | 3627 | 450 | 445 | |
| | | 3628 | 451 | 417 | |
| | | 3624 | 452 | 310 | |
| | | 3634 | 453 | 470 | |
| | | 3635 | 454 | 473 | |
| | | 3636 | 455 | 558 | |
| | | 3633 | 456 | 466 | |
| | | 3625 | 457 | 588 | Original Receiving Wts |
| | | 3638 | 458 | 516 | |
| | | 3632 | 459 | 560 | |
| | | 3637 | 460 | 467 | |
| | | 3621 | 461 | 578 | |
| | | 2600 | 462 | 491 | |
| | | 3603 | 463 | 482 | |
| | | 613 | 464 | 485 | |
| | | 3626 | 465 | 481 | |
| | | 590 | 466 | 545 | |
| | | 595 | 467 | 620 | |
| | | 578 | 468 | 570 | |

We hereby certify that we have received the above noted Cotton.

FEDERAL COMPRESS & WAREHOUSE CO.

By _____ Weigher

STANDARD-MEMPHIS 19617

76-"B"

EXHIBIT "D"

E PASTERS HERE

Form Y 410

# 873—The Yazoo & Mississippi Valley Railroad Company—873

## TRANSIT FREIGHT WAYBILL

THIS CAR AT | FOR | WEIGHT IN TONS: Gross | Net

INITIALS AND NUMBER: 249 √√0 | C. L. Transferred to or L. C. L. Loading No.

DATE: 1/14/32 | WAYBILL NO.: T-11

STATION: Indville | STATE: Miss

FROM | STATION | STATE

Show each Junction and Carrier in Route Order to ... of Waybill. Indicate by Check Mark whether Shipper's or Agent's Routing.) | Shipper's Routing | Agent's Routing: C N L

C-B ham Ill-Cent.

ADDRESS (Final Destination and Additional Routing.)

Shipper's Joanna Cotton Mills

NO. ( )

FULL NAME OF SHIPPER (Origin and Date, Original Car, Transfer Freight Bill and Previous Waybill Reference and Routing When Rebilled.)

Staple Cotton Cooperative Assn 1/29/32

| Length of Car: Ordered | Furnished | Marked Capacity of Car: Ordered | Furnished | Stenciled Weight of Car |
|---|---|---|---|---|
| | | | | |

#

WEIGHED

AT

This is to certify that this a true and exact copy of original waybill.

GROSS

TARE

ALLOWANCE H. O. Gilliland, agent

NET

This Waybill may be used for all single consignments, whether carload or less carload and whether local or interline.

...ONS (Regarding Icing, Ventilation, Milling, Weighing, Etc. If Iced Specify to Whom Icing Should be Charged.)

Indicate by symbol in column provided ★ how weights were obtained for L. C. L. Shipments only.
R—Railroad Warehouse Scale. S—Shipper's Agreement or Tested Weights. E—Estimated—Weigh and Correct.

| DESCRIPTION OF ARTICLES AND MARKS | Commodity No. | ★ | WEIGHT | RATE | FREIGHT | ADVANCES | PREPAID |
|---|---|---|---|---|---|---|---|
| 37 Bales Compressed Cotton | | | | 14-Pd | | | |
| Marked VA N P/N | | | 123√ | 15-Comp | | | |
| | | | | √-8 | | | |
| | | | 18023 | 17-Pd | | | |
| | | | | 15-Comp | | | |
| | | | | 60 | | | |
| | | | 120 | 15 comp | | 89 07 | |
| | | | | 77 | | | |
| | | | 19378 | | 116 22 | | 145 √ |

DESTINATION AGENT'S FREIGHT BILL NO.

Copy

INBOUND REFERENCE

| Bureau No. | POINT OF ORIGIN AND ROAD | WAYBILL Date | WAYBILL No. | LAST WAYBILLING STATION | WAYBILL Date | WAYBILL No. | WAYBILLING ROAD AND ROUTE | Commodity | Weight Applied Outbound | Rate Paid |
|---|---|---|---|---|---|---|---|---|---|---|
| | Pace Miss | 10/12/31 | 77 | | Pro | 428 | | 123√ | | 1. |
| | Langhlin Miss | 12/14/31 | C-77 | | √ | 407 | | 18025 | | 1- |
| | | | | | | | | | | |
| | | | | | | | | | | |

ALL YARD STAMPS TO BE PLACED ON BACK OF WAYBILL IN SPACES PROVIDED

Junction Forwarding Agents will show Junction Stamps in the Space and Order Provided Below:

| FIRST JUNCTION | SECOND JUNCTION | THIRD JUNCTION | FOURTH JUNCTION |
|---|---|---|---|
| | | | |

Additional Junction Agents' Stamps Must be Shown on Back of Waybill in Space Provided.

Destination Agent Will Stamp Herein Station Name and Date Reported.

873—THE YAZOO & MISSISSIPPI VALLEY RAILROAD COMPANY—873

76b-1

## YARD STAMPS TO BE PLACED IN CONSECUTIVE ORDER BELOW

| 1 | 2 | 3 |
|---|---|---|
| 4 | 5 | 6 |
| 7 | 8 | 9 |
| 10 | 11 | 12 |

Additional junction agents stamps will be shown in spaces and order provided below

| 5th Junction | 6th Junction | 7th Junction |
|---|---|---|
| 8th Junction | 9th Junction | 10th Junction |

76b-2

7-28-F. C. 1-19-27
SPECIAL SERVICE PASTERS HERE

Form Y 410

# 873—The Yazoo & Mississippi Valley Railroad Company—873

## TRANSIT FREIGHT WAYBILL

THIS CAR AT | FOR | WEIGHT IN TONS: Gross | Net

INITIALS AND NUMBER | C. L. Transferred to or L. C. L. Loading No.

STATION | STATE

ROUTE (Show each Junction and Carrier in Route Order to Destination of Waybill. Indicate by Check Mark whether Shipper's or Agent's Routing.)

Shipper's Routing

Agent's Routing

CONSIGNEE, ADDRESS (Final Destination and Additional Routing.)

INSTRUCTIONS (Regarding Icing, Ventilation, Milling, Weighing, Etc. If Iced, Specify to Whom Icing Should be Charged.)

This Waybill may be used for all single components, whether carload or less carload and whether local or interline

DATE | WAYBILL NO.

FROM | STATION | STATE

NO. ( )

FULL NAME OF SHIPPER (Origin and Date, Original Car, Transfer Freight Bill and Previous Waybill Reference and Routing When Rebilled.)

| Length of Car: Ordered | Length of Car: Furnished | Marked Capacity of Car: Ordered | Marked Capacity of Car: Furnished | Stenciled Weight of Car |
|---|---|---|---|---|
| | | | | |

WEIGHED

AT.....

GROSS.....

TARE.....

ALLOWANCE.....

NET.....

Indicate by symbol in column provided ★ how weights were obtained for L. C. L. Shipments only.
R—Railroad Warehouse Scale. S—Shipper's Agreement or Tested Weights. E—Estimated—Weigh and Correct.

| DESCRIPTION OF ARTICLES AND MARKS | Commodity No. | ★ | WEIGHT | RATE | FREIGHT | ADVANCES | PREPAID |
|---|---|---|---|---|---|---|---|
| | | | | | | | |

DESTINATION AGENT'S FREIGHT BILL NO.

| Bureau No. | INBOUND REFERENCE: POINT OF ORIGIN AND ROAD | WAYBILL: Date | WAYBILL: No. | LAST WAYBILLING STATION | WAYBILL: Date | WAYBILL: No. | WAYBILLING ROAD AND ROUTE | Commodity | Weight Applied Outbound | Rate Paid |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |

# AGENT'S COPY

THIS COPY TO BE RETAINED BY ISSUING AGENT AS STATION RECORD

79

76b-3 69

(A.-E. 50M Sets F.C.-6-30) Form Y-194-B

(Uniform Domestic Order Bill of Lading, adopted by Carriers in Official, Southern and Western Classification territories, March 15, 1922, as amended August 1, 1930.)

**THIS SHIPPING ORDER** must be legibly filled in, in Ink, in Indelible Pencil, or in Carbon, and retained by the Agent.

Shipper's No. 9002-
Agent's No. 90

# The Yazoo and Mississippi Valley Railroad Co.

RECEIVED, subject to the classifications and tariffs in effect on the date of the issue of this Shipping Order.

At Cleveland Miss 1-14 192

From Staple Cotton Coop. Assn.

the property described below, in apparent good order, except as noted (contents and condition of contents of packages unknown), marked, consigned, and destined as indicated below, which said company (the word company being understood throughout this contract as meaning any person or corporation in possession of the property under the contract) agrees to carry to its usual place of delivery at said destination, if on its own road or its own water line, otherwise to deliver to another carrier on the route to said destination. It is mutually agreed, as to each carrier of all or any of said property over all or any portion of said route to destination, and as to each party at any time interested in all or any of said property, that every service to be performed hereunder shall be subject to all the conditions not prohibited by law, whether printed or written, herein contained, including the conditions on back hereof, which are hereby agreed to by the shipper and accepted for himself and his assigns.

The surrender of the Original ORDER bill of Lading properly indorsed shall be required before the delivery of the property. Inspection of property covered by the bill of lading will not be permitted unless provided by law or unless permission is indorsed on the original bill of lading or given in writing by the shipper.

Consigned to ORDER of Goldville Shipping

Destination Goldville State of Miss. County of

Notify Federal Cotton Mills

At Goldville State of Miss. County of

Route A & V Blum 90 C N O & T Lat Clinton

Delivering Carrier Car Initial C Car No. 249550

| No. Packages | DESCRIPTION OF ARTICLES, SPECIAL MARKS, AND EXCEPTIONS | *WEIGHT (Subject to Correction) | Class or Rate | Check Column |
|---|---|---|---|---|
| 37 | Bales Comp Cotton | 1937 | | |
| | Mkd Y & M P/M | | | |
| | Ef Call | 1235 | 73 | |
| | Ef Laughlin | 1823 | 75 | |
| | Tonnage | 120 | 97 | |

Subject to Section 7 of conditions, if this shipment is to be delivered to the consignee without recourse on the consignor, the consignor shall sign the following statement:

The carrier shall not make delivery of this shipment without payment of freight and all other lawful charges.

(Signature of consignor.)

If charges are to be prepaid, write or stamp here, "To be Prepaid."

Prepaid

Received $ 145.29 to apply in prepayment of the charges on the property described hereon.

Agent or Cashier.

Per (The signature here, acknowledges only the amount prepaid.)

Charges Advanced:

$

* If the shipment moves between two ports by a carrier by water, the law requires that the bill of lading shall state whether it is "carrier's or shipper's weight."

Note—Where the rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property.

The agreed or declared value of the property is hereby specifically stated by the shipper to be not exceeding ..... per .....

Staple Cotton Coop Ass'n Shipper. Agent.

Per Per H. C. GILLILAND

Permanent postoffice address of shipper 80

76b-4

# CONTRACT TERMS AND CONDITIONS

**Sec. 1.** (a) The carrier or party in possession of any of the property herein described shall be liable as at common law for any loss thereof or damage thereto, except as hereinafter provided.

(b) No carrier or party in possession of all or any of the property herein described shall be liable for any loss thereof or damage thereto or delay caused by the act of God, the public enemy, the authority of law, or the act or default of the shipper or owner, or for natural shrinkage. The carrier's liability shall be that of warehouseman, only, for loss, damage, or delay caused by fire occurring after the expiration of the free time allowed by tariffs lawfully on file (such free time to be computed as therein provided) after notice of the arrival of the property at destination or at the port of export (if intended for export) has been duly sent or given, and after placement of the property for delivery at destination, or tender of delivery of the property to the party entitled to receive it, has been made. Except in case of negligence of the carrier or party in possession (and the burden to prove freedom from such negligence shall be on the carrier or party in possession), the carrier or party in possession shall not be liable for loss, damage, or delay occurring while the property is stopped and held in transit upon the request of the shipper, owner, or party, entitled to make such request, or resulting from a defect or vice in the property, or for country damage to cotton, or from riots or strikes.

(c) In case of quarantine the property may be discharged at risk and expense of owners into quarantine depot or elsewhere, as required by quarantine regulations or authorities, or for the carrier's dispatch at nearest available point in carrier's judgment, and in any such case carrier's responsibility shall cease when property is so discharged, or property may be returned by carrier at owner's expense to shipping point, earning freight both ways. Quarantine expenses of whatever nature or kind upon or in respect to property shall be borne by the owners of the property or be a lien thereon. The carrier shall not be liable for loss or damage occasioned by fumigation or disinfection or other acts required or done by quarantine regulations or authorities even though the same may have been done by carrier's officers, agents, or employees, nor for detention, loss, or damage of any kind occasioned by quarantine or the enforcement thereof. No carrier shall be liable, except in case of negligence, for any mistake or inaccuracy in any information furnished by the carrier, its agents, or officers, as to quarantine laws or regulations. The shipper shall hold the carriers harmless from any expense they may incur, or damages they may be required to pay, by reason of the introduction of the property covered by this contract into any place against the quarantine laws or regulations in effect at such place.

**Sec. 2.** (a) No carrier is bound to transport said property by any particular train or vessel, or in time for any particular market or otherwise than with reasonable dispatch. Every carrier shall have the right in case of physical necessity to forward said property by any carrier or route between the point of shipment and the point of destination. In all cases not prohibited by law, where a lower value than actual value has been represented in writing by the shipper or has been agreed upon in writing as the released value of the property as determined by the classification or tariffs upon which the rate is based, such lower value plus freight charges if paid shall be the maximum amount to be recovered, whether or not such loss or damage occurs from negligence.

(b) As a condition precedent to recovery, claims must be filed in writing with the receiving or delivering carrier, or carrier issuing this bill of lading, or carrier on whose line the loss, damage, injury or delay occurred, within nine months after delivery of the property (or, in case of export traffic, within nine months after delivery at port of export) or, in case of failure to make delivery, then within nine months after a reasonable time for delivery has elapsed; and suits shall be instituted against any carrier only within two years and one day from the day when notice in writing is given by the carrier to the claimant that the carrier has disallowed the claim or any part or parts thereof specified in the notice. Where claims are not filed or suits are not instituted thereon in accordance with the foregoing provisions, no carrier hereunder shall be liable, and such claims will not be paid.

(c) Any carrier or party liable on account of loss of or damage to any of said property shall have the full benefit of any insurance that may have been effected upon or on account of said property, so far as this shall not avoid the policies or contracts of insurance: **Provided,** That the carrier reimburse the claimant for the premium paid thereon.

**Sec. 3.** Except where such service is required as the result of carrier's negligence, all property shall be subject to necessary cooperage and baling at owner's cost. Each carrier over whose route cotton or cotton linters is to be transported hereunder shall have the privilege, at its own cost and risk, of compressing the same for greater convenience in handling or forwarding, and shall not be held responsible for deviation or unavoidable delays in procuring such compression. Grain in bulk consigned to a point where there is a railroad, public or licensed elevator, may (unless otherwise expressly noted herein, and then if it is not promptly unloaded) be there delivered and placed with other grain of the same kind and grade without respect to ownership (and prompt notice thereof shall be given to the consignor), and if so delivered shall be subject to a lien for elevator charges in addition to all other charges hereunder.

**Sec. 4.** (a) Property not removed by the party entitled to receive it within the free time allowed by tariffs, lawfully on file (such free time to be computed as therein provided), after notice of the arrival of the property at destination or at the port of export (if intended for export) has been duly sent or given, and after placement of the property for delivery at destination has been made, may be kept in vessel, car, depot, warehouse or place of delivery of the carrier, subject to the tariff charge for storage and to carrier's responsibility as warehouseman, only, or at the option of the carrier, may be removed to and stored in a public or licensed warehouse at the place of delivery or other available place, at the cost of the owner, and there held without liability on the part of the carrier, and subject to a lien for all freight and other lawful charges, including a reasonable charge for storage.

(b) Where nonperishable property which has been transported to destination hereunder is refused by consignee or the party entitled to receive it, or said consignee or party entitled to receive it fails to receive it within 15 days after notice of arrival shall have been duly sent or given, the carrier may sell the same at public auction to the highest bidder, at such place as may be designated by the carrier: **Provided,** That the carrier shall have first mailed, sent, or given to the consignor notice that the property has been refused or remains unclaimed, as the case may be, and that it will be subject to sale under the terms of the bill of lading if disposition be not arranged for, and shall have published notice containing a description of the property, the name of the party to whom consigned, or, if shipped order notify, the name of the party to be notified, and the time and place of sale, once a week for two successive weeks, in a newspaper of general circulation at the place of sale or nearest place where such newspaper is published: **Provided,** That 30 days shall have elapsed before publication of notice of sale after said notice that the property was refused or remains unclaimed was mailed, sent, or given.

(c) Where perishable property which has been transported hereunder to destination is refused by consignee or party entitled to receive it, or said consignee or party entitled to receive it shall fail to receive it promptly, the carrier may, in its discretion, to prevent deterioration or further deterioration, sell the same to the best advantage at private or public sale: **Provided,** That if time serves for notification to the consignor or owner of the refusal of the property or the failure to receive it and request for disposition of the property, such notification shall be given, in such manner as the exercise of due diligence requires, before the property is sold.

(d) Where the procedure provided for in the two paragraphs last preceding is not possible, it is agreed that nothing contained in said paragraphs shall be construed to abridge the right of the carrier at its option to sell the property under such circumstances and in such manner as may be authorized by law.

(e) The proceeds of any sale made under this section shall be applied by the carrier to the payment of freight, demurrage, storage, and any other lawful charges and the expense of notice, advertisement, sale, and other necessary expense and of caring for and maintaining the property, if proper care of the same requires special expense, and should there be a balance it shall be paid to the owner of the property sold hereunder.

(f) Property destined to or taken from a station, wharf, or landing at which there is no regularly appointed freight agent shall be entirely at risk of owner after unloaded from cars or vessels or until loaded into cars or vessels, and, except in case of carrier's negligence, when received from or delivered to such stations, wharves, or landings shall be at owner's risk until the cars are attached to and after they are detached from locomotive or train or until loaded into and after unloaded from vessels.

**Sec. 5.** No carrier hereunder will carry or be liable in any way for any documents, specie, or for any articles of extraordinary value not specifically rated in the published classifications or tariffs unless a special agreement to do so and a stipulated value of the articles are indorsed hereon.

**Sec. 6.** Every party, whether principal or agent, shipping explosives or dangerous goods, without previous full written disclosure to the carrier of their nature, shall be liable for and indemnify the carrier against all loss or damage caused by such goods, and such goods may be warehoused at owner's risk and expense or destroyed without compensation.

**Sec. 7.** The owner or consignee shall pay the freight and average, if any, and all other lawful charges accruing on said property; but, except in those instances where it may lawfully be authorized to do so, no carrier by railroad shall deliver or relinquish possession at destination of the property covered by this bill of lading until all tariff rates and charges thereon have been paid. The consignor shall be liable for the freight and all other lawful charges, except that if the consignor stipulates, by signature, in the space provided for that purpose on the face of this bill of lading that the carrier shall not make delivery without requiring payment of such charges and the carrier, contrary to such stipulation, shall make delivery without requiring such payment, the consignor (except as hereinafter provided) shall not be liable for such charges. **Provided, that,** where the carrier has been instructed by the shipper or consignor to deliver said property to a consignee other than the shipper or consignor, such consignee shall not be legally liable for transportation charges in respect of the transportation of said property (beyond those billed against him at the time of delivery for which he is otherwise liable) which may be found to be due after the property has been delivered to him, if the consignee (a) is an agent only and has no beneficial title in said property, and (b) prior to delivery of said property has notified the delivering carrier in writing of the fact of such agency and absence of beneficial title, and, in the case of a shipment reconsigned or diverted to a point other than that specified in the original bill of lading, has also notified the delivering carrier in writing of the name and address of the beneficial owner of said property; and, in such cases the shipper or consignor, or, in the case of a shipment so reconsigned or diverted, the beneficial owner, shall be liable for such additional charges. Nothing herein shall limit the right of the carrier to require at time of shipment the prepayment or guarantee of the charges. If upon inspection it is ascertained that the articles shipped are not those described in this bill of lading, the freight charges must be paid upon the articles actually shipped.

**Sec. 8.** If this bill of lading is issued on the order of the shipper, or his agent, in exchange or in substitution for another bill of lading, the shipper's signature to the prior bill of lading as to the statement of value or otherwise, or election of common law or bill of lading liability, in or in connection with such prior bill of lading, shall be considered a part of this bill of lading as fully as if the same were written or made in or in connection with this bill of lading.

**Sec. 9.** (a) If all or any part of said property is carried by water over any part of said route, such water carriage shall be performed subject to all the terms and provisions of, and all the exemptions from liability contained in, the Act of the Congress of the United States, approved on February 13, 1893, and entitled "An act relating to the navigation of vessels, etc.," and of other statutes of the United States according carriers by water the protection of limited liability, and to the conditions contained in this bill of lading not inconsistent therewith or with this section.

(b) No such carrier by water shall be liable for any loss or damage resulting from any fire happening to or on board the vessel, or from explosion, bursting of boilers or breakage of shafts, unless caused by the design or neglect of such carrier.

(c) If the owner shall have exercised due diligence in making the vessel in all respects seaworthy and properly manned, equipped, and supplied, no such carrier shall be liable for any loss or damage resulting from the perils of the lakes, seas, or other waters, or from latent defects in hull, machinery, or appurtenances whether existing prior to, at the time of, or after sailing, or from collision, stranding, or other accidents of navigation, or from prolongation of the voyage. And, when for any reason it is necessary, any vessel carrying any or all of the property herein described shall be at liberty to call at any port or ports, in or out of the customary route, to tow and be towed, to transfer, trans-ship, or lighter, to load and discharge goods at any time, to assist vessels in distress, to deviate for the purpose of saving life or property, and for docking and repairs. Except in case of negligence such carrier shall not be responsible for any loss or damage to property if it be necessary or is usual to carry the same upon deck.

(d) General Average shall be payable according to the York-Antwerp Rules of 1924, Sections 1 to 15, inclusive, and Sections 17 to 22, inclusive, and as to matters not covered thereby according to the laws and usages of the Port of New York. If the owners shall have exercised due diligence to make the vessel in all respects seaworthy and properly manned, equipped and supplied, it is hereby agreed that in case of danger, damage or disaster resulting from faults or errors in navigation, or in the management of the vessel, or from any latent or other defects in the vessel, her machinery or appurtenances, or from unseaworthiness, whether existing at the time of shipment or at the beginning of the voyage (provided the latent or other defects or the unseaworthiness was not discoverable by the exercise of due diligence), the shippers, consignees and/or owners of the cargo shall nevertheless pay salvage and any special charges incurred in respect of the cargo, and shall contribute with the owners in general average to the payment of any sacrifices, losses or expenses of a general average nature that may be made or incurred for the common benefit or to relieve the adventure from any common peril.

(e) If the property is being carried under a tariff which provides that any carrier or carriers party thereto shall be liable for loss from perils of the sea, then as to such carrier or carriers the provisions of this section shall be modified in accordance with the tariff provisions, which shall be regarded as incorporated into the conditions of this bill of lading.

(f) The term "water carriage" in this section shall not be construed as including lighterage in or across rivers, harbors, or lakes, when performed by or on behalf of rail carriers.

**Sec. 10.** Any alteration, addition, or erasure in this bill of lading which shall be made without the special notation hereon of the agent of the carrier issuing this bill of lading, shall be without effect, and this bill of lading shall be enforceable according to its original tenor.

76b-5

(A.E. 50M Sets · F.C.-6-30) Form Y-194-3

(Uniform Domestic Order Bill of Lading, adopted by Carriers in Official, Southern and Western Classification territories, March 15, 1922, as amended August 1, 1930.)

**3** **THIS MEMORANDUM** is an acknowledgment that a Bill of Lading has been issued and is not the Original Bill of Lading, nor a copy or duplicate, covering the property named herein, and is intended solely for filing or record.

Shipper's No. 9002-
Agent's No. 90

# The Yazoo and Mississippi Valley Railroad Co.

RECEIVED, subject to the classifications and tariffs in effect on the date of the receipt by the carrier of the property described in the Original Bill of Lading,

At Cleveland Miss 1-14- 192

From Staple Cotton Coop Assn

the property described below, in apparent good order, except as noted (contents and condition of contents of packages unknown), marked, consigned, and destined as indicated below, which said company (the word company being understood throughout this contract as meaning any person or corporation in possession of the property under the contract) agrees to carry to its usual place of delivery at said destination, if on its own road or its own water line, otherwise to deliver to another carrier on the route to said destination. It is mutually agreed, as to each carrier of all or any of said property over all or any portion of said route to destination, and as to each party at any time interested in all or any of said property, that every service to be performed hereunder shall be subject to all the conditions not prohibited by law, whether printed or written, herein contained, including the conditions on back hereof, which are hereby agreed to by the shipper and accepted for himself and his assigns.

The surrender of the Original ORDER bill of Lading properly indorsed shall be required before the delivery of the property. Inspection of property covered by the bill of lading will not be permitted unless provided by law or unless permission is indorsed on the original bill of lading or given in writing by the shipper.

Consigned to ORDER of Shipper

Destination Coldwater State of Miss County of

Notify Yazoo Cotton Mills

At Memphis State of Tenn County of

Route L & N & Brans to Cin & Lex Clinton

Delivering Carrier Car Initial IC Car No. 24950

| No. Packages | DESCRIPTION OF ARTICLES, SPECIAL MARKS, AND EXCEPTIONS | *WEIGHT (Subject to Correction) | Class or Rate | Check Column |
|---|---|---|---|---|
| 37 | Staple Cotton Compressed | 19378 | | |
| | Mkd Y & M P/M. | | | |
| | 6 Bales | 1235 | 23 | |
| | 2 Laughlin | 1823 | 75 | |
| | 1 Sundry | 120 | 92 | |

Subject to Section 7 of conditions, if this shipment is to be delivered to the consignee without recourse on the consignor, the consignor shall sign the following statement:

The carrier shall not make delivery of this shipment without payment of freight and all other lawful charges.

(Signature of consignor.)

If charges are to be prepaid, write or stamp here, "To be Prepaid."

Prepaid.

Received $ 145 29 to apply in prepayment of the charges on the property described hereon.

Agent or Cashier.

Per (The signature here acknowledges only the amount prepaid.)

Charges Advanced:

$

* If the shipment moves between two ports by a carrier by water, the law requires that the bill of lading shall state whether it is "carrier's or shipper's weight."

Note—Where the rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property.

The agreed or declared value of the property is hereby specifically stated by the shipper to be not exceeding per

Staple Cotton Coop Assn Shipper. Agent.

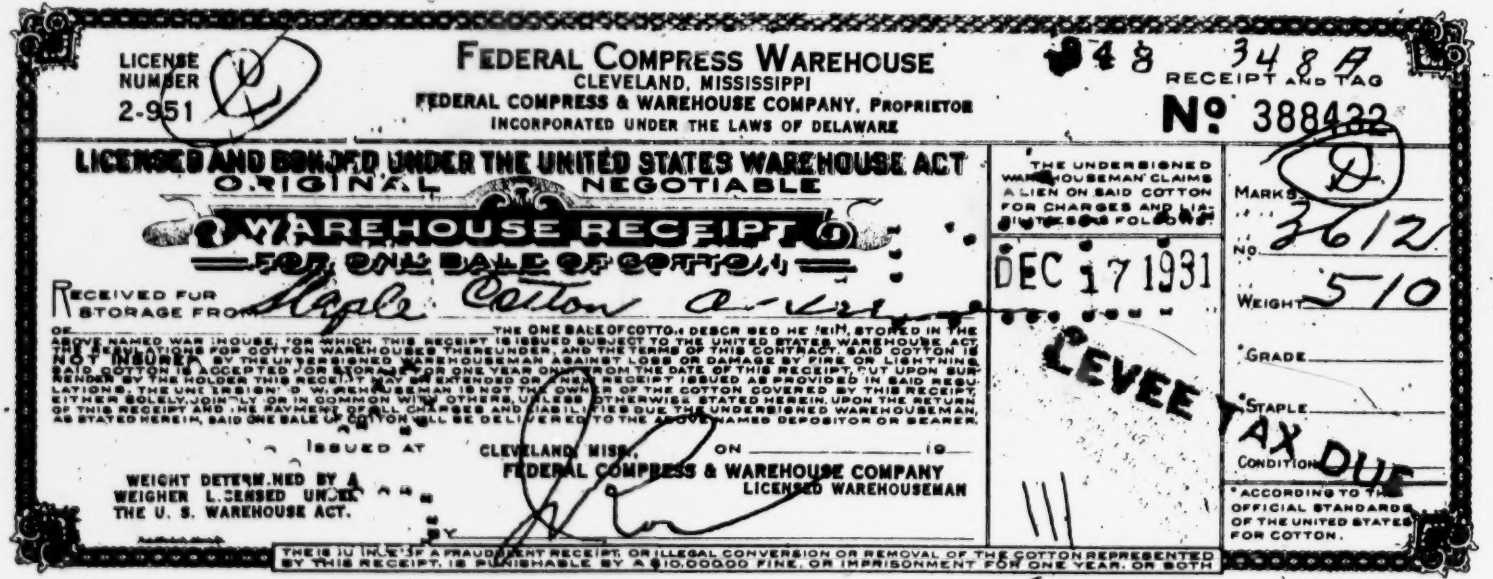
Per Per

Permanent postoffice address of shipper H. G. GILLILAND

J. J. COLLINS' SONS, INC., PRINTERS, CHICAGO.

76b-6

102



LICENSE NUMBER 2-951

# FEDERAL COMPRESS WAREHOUSE

CLEVELAND, MISSISSIPPI

FEDERAL COMPRESS & WAREHOUSE COMPANY, PROPRIETOR

INCORPORATED UNDER THE LAWS OF DELAWARE

348 348A RECEIPT AND TAG

No 388432

LICENSED AND BONDED UNDER THE UNITED STATES WAREHOUSE ACT

ORIGINAL NEGOTIABLE

## WAREHOUSE RECEIPT

FOR ONE BALE OF COTTON

THE UNDERSIGNED WAREHOUSEMAN CLAIMS A LIEN ON SAID COTTON FOR CHARGES AND LIABILITIES AS FOLLOWS:

DEC 17 1931

LEVEE TAX DUE

RECEIVED FOR STORAGE FROM Staple Cotton Coop

MARKS D

NO. 3612

WEIGHT 510

GRADE

STAPLE

CONDITION

OF THE ONE BALE OF COTTON DESCRIBED HEREIN, STORED IN THE ABOVE NAMED WAREHOUSE, FOR WHICH THIS RECEIPT IS ISSUED SUBJECT TO THE UNITED STATES WAREHOUSE ACT, THE REGULATIONS FOR COTTON WAREHOUSES THEREUNDER, AND THE TERMS OF THIS CONTRACT. SAID COTTON IS NOT INSURED BY THE UNDERSIGNED WAREHOUSEMAN AGAINST LOSS OR DAMAGE BY FIRE OR LIGHTNING. SAID COTTON IS ACCEPTED FOR STORAGE FOR ONE YEAR ONLY FROM THE DATE OF THIS RECEIPT, BUT UPON SURRENDER BY THE HOLDER THIS RECEIPT MAY BE EXTENDED OR A NEW RECEIPT ISSUED AS PROVIDED IN SAID REGULATIONS. THE UNDERSIGNED WAREHOUSEMAN IS NOT THE OWNER OF THE COTTON COVERED BY THIS RECEIPT, EITHER SOLELY, JOINTLY OR IN COMMON WITH OTHERS, UNLESS OTHERWISE STATED HEREIN. UPON THE RETURN OF THIS RECEIPT AND THE PAYMENT OF ALL CHARGES AND LIABILITIES DUE THE UNDERSIGNED WAREHOUSEMAN, AS STATED HEREIN, SAID ONE BALE OF COTTON WILL BE DELIVERED TO THE ABOVE NAMED DEPOSITOR OR BEARER.

ISSUED AT CLEVELAND, MISS., ON _____ 19__

WEIGHT DETERMINED BY A WEIGHER LICENSED UNDER THE U. S. WAREHOUSE ACT.

FEDERAL COMPRESS & WAREHOUSE COMPANY
LICENSED WAREHOUSEMAN

BY

*ACCORDING TO THE OFFICIAL STANDARDS OF THE UNITED STATES FOR COTTON.

THERE IS IN IT IS A FRAUDULENT RECEIPT, OR ILLEGAL CONVERSION OR REMOVAL OF THE COTTON REPRESENTED BY THIS RECEIPT, IS PUNISHABLE BY A $10,000.00 FINE, OR IMPRISONMENT FOR ONE YEAR, OR BOTH

82

76-C

EXHIBIT "E"

103

EXHIBIT "F"

# Shipping Order for

Federal Compress & Storage Co.

Cleveland Miss. MISS. 1-18 19 37

Please Mark [VATP-M 27] Compress and

deliver to GM&N Ry. Company the undernoted

Bales of Cotton for shipment to Mays Landing NJ on

STAPLE COTTON COOPERATIVE ASSOCIATION

| | | |

(A.E. 50M Sets-5-31 F.C.-6-30) Form Y-194-3

(Uniform Domestic Order Bill of Lading, adopted by Carriers in Official, Southern and Western Classification territories, March 15, 1922, as amended August 1, 1930.)

1

# UNIFORM ORDER BILL OF LADING

ORIGINAL

Shipper's No. 9007

Agent's No. 104

# The Yazoo and Mississippi Valley Railroad Co.

RECEIVED, subject to the classifications and tariffs in effect on the date of the issue of this Bill of Lading,

At Cleveland Miss Jan 18 1932

From Staple Cotton Coop Assn

the property described below, in apparent good order, except as noted (contents and condition of contents of packages unknown), marked, consigned, and destined as indicated below, which said company (the word company being understood throughout this contract as meaning any person or corporation in possession of the property under the contract) agrees to carry to its usual place of delivery at said destination, if on its own road or its own water line, otherwise to deliver to another carrier on the route to said destination. It is mutually agreed, as to each carrier of all or any of said property over all or any portion of said route to destination, and as to each party at any time interested in all or any of said property, that every service to be performed hereunder shall be subject to all the conditions not prohibited by law, whether printed or written, herein contained, including the conditions on back hereof, which are hereby agreed to by the shipper and accepted for himself and his assigns.

The surrender of this Original ORDER bill of Lading properly indorsed shall be required before the delivery of the property. Inspection of property covered by this bill of lading will not be permitted unless provided by law or unless permission is indorsed on this original bill of lading or given in writing by the shipper.

Consigned to ORDER of Shippers

Destination Mays Landing State of N J County of

Notify Mays Landing Water Power Co

At Mays Landing State of NJ County of

Route

Delivering Carrier Peoria TP&W Wabash C/O Penn Car Initial IC Car No. 157948

| No. Packages | DESCRIPTION OF ARTICLES, SPECIAL MARKS, AND EXCEPTIONS | *WEIGHT (Subject to Correction) | Class or Rate | Check Column |
|---|---|---|---|---|
| 27 | Bales Compressed Cotton | 13910 | | |
| | Marked V A T P / M | | | |
| | Ex Laughlin Miss | 13910 | 1.00 | |

Subject to Section 7 of conditions, if this shipment is to be delivered to the consignee without recourse on the consignor, the consignor shall sign the following statement:

The carrier shall not make delivery of this shipment without payment of freight and all other lawful charges.

(Signature of consignor.)

If charges are to be prepaid, write or stamp here, "To be Prepaid."

To Be Prepaid

Received $ 139.10 to apply in prepayment of the charges on the property described hereon.

Agent or Cashier.

Per

(The signature here acknowledges only the amount prepaid.)

Charges Advanced:

$

* If the shipment moves between two ports by a carrier by water, the law requires that the bill of lading shall state whether it is "carrier's or shipper's weight."

Note—Where the rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property.

The agreed or declared value of the property is hereby specifically stated by the shipper to be not exceeding ..... per .....

Staple Cotton Coop Assn Shipper. ILAND Agent.

Per Per

Permanent postoffice address of shipper

J. J. COLLINS' SONS, INC., PRINTERS, CHICAGO

76e-1

105

Endorsements

# CONTRACT TERMS AND CONDITIONS

**Sec. 1.** (a) The carrier or party in possession of any of the property herein described shall be liable as at common law for any loss thereof or damage thereto, except as hereinafter provided.

(b) No carrier or party in possession of all or any of the property herein described shall be liable for any loss thereof or damage thereto or delay caused by the act of God, the public enemy, the authority of law, or the act or default of the shipper or owner, or for natural shrinkage. The carrier's liability shall be that of warehouseman, only, for loss, damage, or delay caused by fire occurring after the expiration of the free time allowed by tariffs lawfully on file (such free time to be computed as therein provided) after notice of the arrival of the property at destination or at the port of export (if intended for export) has been duly sent or given, and after placement of the property for delivery at destination, or tender of delivery of the property to the party entitled to receive it, has been made. Except in case of negligence of the carrier or party in possession (and the burden to prove freedom from such negligence shall be on the carrier or party in possession), the carrier or party in possession shall not be liable for loss, damage, or delay occurring while the property is stopped and held in transit upon the request of the shipper, owner, or party, entitled to make such request, or resulting from a defect or vice in the property, or for country damage to cotton, or from riots or strikes.

(c) In case of quarantine the property may be discharged at risk and expense of owners into quarantine depot or elsewhere, as required by quarantine regulations or authorities, or for the carrier's dispatch at nearest available point in carrier's judgment, and in any such case carrier's responsibility shall cease when property is so discharged, or property may be returned by carrier at owner's expense to shipping point, earning freight both ways. Quarantine expenses of whatever nature or kind upon or in respect to property shall be borne by the owners of the property or be a lien thereon. The carrier shall not be liable for loss or damage occasioned by fumigation or disinfection or other acts required or done by quarantine regulations or authorities even though the same may have been done by carrier's officers, agents, or employees, nor for detention, loss, or damage of any kind occasioned by quarantine or the enforcement thereof. No carrier shall be liable, except in case of negligence, for any mistake or inaccuracy in any information furnished by the carrier, its agents, or officers, as to quarantine laws or regulations. The shipper shall hold the carriers harmless from any expense they may incur, or damages they may be required to pay, by reason of the introduction of the property covered by this contract into any place against the quarantine laws or regulations in effect at such place.

**Sec. 2.** (a) No carrier is bound to transport said property by any particular train or vessel, or in time for any particular market or otherwise than with reasonable dispatch. Every carrier shall have the right in case of physical necessity to forward said property by any carrier or route between the point of shipment and the point of destination. In all cases not prohibited by law, where a lower value than actual value has been represented in writing by the shipper or has been agreed upon in writing as the released value of the property as determined by the classification or tariffs upon which the rate is based, such lower value plus freight charges if paid shall be the maximum amount to be recovered, whether or not such loss or damage occurs from negligence.

(b) As a condition precedent to recovery, claims must be filed in writing with the receiving or delivering carrier, or carrier issuing this bill of lading, or carrier on whose line the loss, damage, injury or delay occurred, within nine months after delivery of the property (or, in case of export traffic, within nine months after delivery at port of export) or, in case of failure to make delivery, then within nine months after a reasonable time for delivery has elapsed; and suits shall be instituted against any carrier only within two years and one day from the day when notice in writing is given by the carrier to the claimant that the carrier has disallowed the claim or any part or parts thereof specified in the notice. Where claims are not filed or suits are not instituted thereon in accordance with the foregoing provisions, no carrier hereunder shall be liable, and such claims will not be paid.

(c) Any carrier or party liable on account of loss of or damage to any of said property shall have the full benefit of any insurance that may have been effected upon or on account of said property, so far as this shall not avoid the policies or contracts of insurance: **Provided,** That the carrier reimburse the claimant for the premium paid thereon.

**Sec. 3.** Except where such service is required as the result of carrier's negligence, all property shall be subject to necessary cooperage and baling at owner's cost. Each carrier over whose route cotton or cotton linters is to be transported hereunder shall have the privilege, at its own cost and risk, of compressing the same for greater convenience in handling or forwarding, and shall not be held responsible for deviation or unavoidable delays in procuring such compression. Grain in bulk consigned to a point where there is a railroad, public or licensed elevator, may (unless otherwise expressly noted herein, and then if it is not promptly unloaded) be there delivered and placed with other grain of the same kind and grade without respect to ownership (and prompt notice thereof shall be given to the consignor), and if so delivered shall be subject to a lien for elevator charges in addition to all other charges hereunder.

**Sec. 4.** (a) Property not removed by the party entitled to receive it within the free time allowed by tariffs, lawfully on file (such free time to be computed as therein provided), after notice of the arrival of the property at destination or at the port of export (if intended for export) has been duly sent or given, and after placement of the property for delivery at destination has been made, may be kept in vessel, car, depot, warehouse or place of delivery of the carrier, subject to the tariff charge for storage and to carrier's responsibility as warehouseman, only, or at the option of the carrier, may be removed to and stored in a public or licensed warehouse at the place of delivery or other available place, at the cost of the owner, and there held without liability on the part of the carrier, and subject to a lien for all freight and other lawful charges, including a reasonable charge for storage.

(b) Where nonperishable property which has been transported to destination hereunder is refused by consignee or the party entitled to receive it, or said consignee or party entitled to receive it fails to receive it within 15 days after notice of arrival shall have been duly sent or given, the carrier may sell the same at public auction to the highest bidder, at such place as may be designated by the carrier: **Provided,** That the carrier shall have first mailed, sent, or given to the consignor notice that the property has been refused or remains unclaimed, as the case may be, and that it will be subject to sale under the terms of the bill of lading if disposition be not arranged for, and shall have published notice containing a description of the property, the name of the party to whom consigned, or, if shipped order notify, the name of the party to be notified, and the time and place of sale, once a week for two successive weeks, in a newspaper of general circulation at the place of sale or nearest place where such newspaper is published: **Provided,** That 30 days shall have elapsed before publication of notice of sale after said notice that the property was refused or remains unclaimed was mailed, sent, or given.

(c) Where perishable property which has been transported hereunder to destination is refused by consignee or party entitled to receive it, or said consignee or party entitled to receive it shall fail to receive it promptly, the carrier may, in its discretion, to prevent deterioration or further deterioration, sell the same to the best advantage at private or public sale: **Provided,** That if time serves for notification to the consignor or owner of the refusal of the property or the failure to receive it and request for disposition of the property, such notification shall be given, in such manner as the exercise of due diligence requires, before the property is sold.

(d) Where the procedure provided for in the two paragraphs last preceding is not possible, it is agreed that nothing contained in said paragraphs shall be construed to abridge the right of the carrier at its option to sell the property under such circumstances and in such manner as may be authorized by law.

(e) The proceeds of any sale made under this section shall be applied by the carrier to the payment of freight, demurrage, storage, and any other lawful charges and the expense of notice, advertisement, sale, and other necessary expense and of caring for and maintaining the property, if proper care of the same requires special expense, and should there be a balance it shall be paid to the owner of the property sold hereunder.

(f) Property destined to or taken from a station, wharf, or landing at which there is no regularly appointed freight agent shall be entirely at risk of owner after unloaded from cars or vessels or until loaded into cars or vessels, and, except in case of carrier's negligence, when received from or delivered to such stations, wharves, or landings shall be at owner's risk until the cars are attached to and after they are detached from locomotive or train or until loaded into and after unloaded from vessels.

**Sec. 5.** No carrier hereunder will carry or be liable in any way for any documents, specie, or for any articles of extraordinary value not specifically rated in the published classifications or tariffs unless a special agreement to do so and a stipulated value of the articles are indorsed hereon.

**Sec. 6.** Every party, whether principal or agent, shipping explosives or dangerous goods, without previous full written disclosure to the carrier of their nature, shall be liable for and indemnify the carrier against all loss or damage caused by such goods, and such goods may be warehoused at owner's risk and expense or destroyed without compensation.

**Sec. 7.** The owner or consignee shall pay the freight and average, if any, and all other lawful charges accruing on said property; but, except in those instances where it may lawfully be authorized to do so, no carrier by railroad shall deliver or relinquish possession at destination of the property covered by this bill of lading until all tariff rates and charges thereon have been paid. The consignor shall be liable for the freight and all other lawful charges, except that if the consignor stipulates, by signature, in the space provided for that purpose on the face of this bill of lading that the carrier shall not make delivery without requiring payment of such charges and the carrier, contrary to such stipulation, shall make delivery without requiring such payment, the consignor (except as hereinafter provided) shall not be liable for such charges. **Provided, that,** where the carrier has been instructed by the shipper or consignor to deliver said property to a consignee other than the shipper or consignor, such consignee shall not be legally liable for transportation charges in respect of the transportation of said property (beyond those billed against him at the time of delivery for which he is otherwise liable) which may be found to be due after the property has been delivered to him, if the consignee (a) is an agent only and has no beneficial title in said property, and (b) prior to delivery of said property has notified the delivering carrier in writing of the fact of such agency and absence of beneficial title, and, in the case of a shipment reconsigned or diverted to a point other than that specified in the original bill of lading, has also notified the delivering carrier in writing of the name and address of the beneficial owner of said property; and, in such cases the shipper or consignor, or, in the case of a shipment so reconsigned or diverted, the beneficial owner, shall be liable for such additional charges. If the consignee has given to the carrier erroneous information as to who the beneficial owner is, such consignee shall himself be liable for such additional charges. Nothing herein shall limit the right of the carrier to require at time of shipment the prepayment or guarantee of the charges. If upon inspection it is ascertained that the articles shipped are not those described in this bill of lading, the freight charges must be paid upon the articles actually shipped.

**Sec. 8.** If this bill of lading is issued on the order of the shipper, or his agent, in exchange or in substitution for another bill of lading, the shipper's signature to the prior bill of lading as to the statement of value or otherwise, or election of common law or bill of lading liability, in or in connection with such prior bill of lading, shall be considered a part of this bill of lading as fully as if the same were written or made in or in connection with this bill of lading.

**Sec. 9.** (a) If all or any part of said property is carried by water over any part of said route, such water carriage shall be performed subject to all the terms and provisions of, and all the exemptions from liability contained in, the Act of the Congress of the United States, approved on February 13, 1893, and entitled "An act relating to the navigation of vessels, etc.," and of other statutes of the United States according carriers by water the protection of limited liability, and to the conditions contained in this bill of lading not inconsistent therewith or with this section.

(b) No such carrier by water shall be liable for any loss or damage resulting from any fire happening to or on board the vessel, or from explosion, bursting of boilers or breakage of shafts, unless caused by the design or neglect of such carrier.

(c) If the owner shall have exercised due diligence in making the vessel in all respects seaworthy and properly manned, equipped, and supplied, no such carrier shall be liable for any loss or damage resulting from the perils of the lakes, seas, or other waters, or from latent defects in hull, machinery, or appurtenances whether existing prior to, at the time of, or after sailing, or from collision, stranding, or other accidents of navigation, or from prolongation of the voyage. And, when for any reason it is necessary, any vessel carrying any or all of the property herein described shall be at liberty to call at any port or ports, in or out of the customary route, to tow and be towed, to transfer, trans-ship, or lighter, to load and discharge goods at any time, to assist vessels in distress, to deviate for the purpose of saving life or property, and for docking and repairs. Except in case of negligence such carrier shall not be responsible for any loss or damage to property if it be necessary or is usual to carry the same upon deck.

(d) General Average shall be payable according to the York-Antwerp Rules of 1924, Sections 1 to 15, inclusive, and Sections 17 to 22, inclusive, and as to matters not covered thereby according to the laws and usages of the Port of New York. If the owners shall have exercised due diligence to make the vessel in all respects seaworthy and properly manned, equipped and supplied, it is hereby agreed that in case of danger, damage or disaster resulting from faults or errors in navigation, or in the management of the vessel, or from any latent or other defects in the vessel, her machinery or appurtenances, or from unseaworthiness, whether existing at the time of shipment or at the beginning of the voyage (provided the latent or other defects or the unseaworthiness was not discoverable by the exercise of due diligence), the shippers, consignees and/or owners of the cargo shall nevertheless pay salvage and any special charges incurred in respect of the cargo, and shall contribute with the shipowner in general average to the payment of any sacrifices, losses or expenses of a general average nature that may be made or incurred for the common benefit or to relieve the adventure from any common peril.

(e) If the property is being carried under a tariff which provides that any carrier or carriers party thereto shall be liable for loss from perils of the sea, then as to such carrier or carriers the provisions of this section shall be modified in accordance with the tariff provisions, which shall be regarded as incorporated into the conditions of this bill of lading.

(f) The term "water carriage" in this section shall not be construed as including lighterage in or across rivers, harbors, or lakes, when performed by or on behalf of rail carriers.

**Sec. 10.** Any alteration, addition, or erasure in this bill of lading which shall be made without the special notation hereon of the agent of the carrier issuing this bill of lading, shall be without effect, and this bill of lading shall be enforceable according to its original tenor.

C—11-30—60M—FC—4-30 991 Form Y-198-A Revised 5-1-30

Bill of Lading Signature Certificate No.....

Through Bill of Lading issued in conformity with agreement with the Liverpool Cotton Bills of Lading Conference (1907) Committee and the American Bankers Association.

# UNIFORM THROUGH EXPORT BILL OF LADING

(Prescribed in Interstate Commerce Commission Orders of October 21, 1921, January 30, 1922, March 7, 1922, July 8, 1922, June 6, 1923, and June 21, 1928, in Docket No. 4844)

**COPY OF ORDER BILL OF LADING—NOT NEGOTIABLE**

## The Yazoo and Mississippi Valley Railroad Company

IN CONNECTION WITH OTHER CARRIERS ON THE ROUTE

Export Bill of Lading No. 60 Lot No. 9n Contract Numbers C- 3878

Dated at Cleveland Miss this 25 day of January, 1928.

Received, subject to the classifications and tariffs in effect on the date of the receipt of the property described in this bill of lading, at Cleveland Miss

From Staple Cotton Coop Assn

the following property, in apparent good order (contents and condition of contents of packages unknown), marked, numbered, consigned, and destined as indicated below:

Consigned to ORDER of Staple Cotton Coop Assn

Destination Manchester England

Route C/O Federal Barge Line at Vicksburg

Party to whom arrival notice is to be addressed Messrs Wigley White & Company Manchester England

| MARKS AND NUMBERS | ARTICLES | *Weight (Subject to Correction) | Measurement (Subject to Correction) |
|---|---|---|---|
| G A A P / M 50 | Fifty Bales Compressed Cotton | 24593 | Shippers |
| | Freight Prepaid Through | | |
| | Inland Ex Shelby Miss 24527# @ 45¢ | | |
| | Inland Tonnage 66# @ 64¢ | . 110 | 79 |
| | Ocean 24593#@50¢ | 122 | 97 |
| | | 233 | 76 |

CAR NUMBERS

IC 53866
IC 58298

COPY COPY COPY COPY COPY COPY

Received $.....to apply in prepayment of the charges on the property described herein.

.....Agent.

By.....

(The signature here only acknowledges the amount prepaid.

COPY

*U. S. Law requires Agent issuing Bill of Lading to write either "Shipper's" or "Carrier's" before "Weight."

To be carried to the port (A) of New Orleans La and thence by Dixie S/S Lines to the port (B) Manchester England (or so near thereto as vessel may safely get), and to be there delivered in like good order and condition as above consigned, or to consignee's assigns, or to another carrier on the route to destination if consigned beyond said port (B), upon payment immediately on discharge of the property of the freight thereon, at the rate (INLAND AND/OR COASTWISE) from Ponints Shown to New Orleans La of As above cents per one hundred pounds gross weight, port charges, if any.....cents, and (OCEAN AND ON-CARRYING) from New Orleans La Manchester England 50 cents, per 100 Lbs., and advanced charges.....($.....), with all other charges and average, without any allowance of credit or discount,.....settlement to be made on the basis of United States gold currency, amount to be paid by receivers at current rate of New York exchange as quoted on the day the vessel is entered at the Custom House at her port of discharge.

In consideration of the rate of freight herein named it is hereby stipulated that the service to be performed hereunder shall be subject to the contract terms and conditions, whether printed or written, herein contained, and said terms and conditions are hereby agreed to by the shipper and by him accepted for himself and his assigns.

### CONTRACT TERMS AND CONDITIONS

Any alteration, addition, or erasure in this bill of lading which shall be made without the special notation hereon of the agent of the carrier issuing this bill of lading shall be without effect and this bill of lading shall be enforceable according to its original tenor. If shipment consists of cotton or cotton linters it is mutually understood and agreed that the description of the condition does not relate to insufficiency of or the torn condition of the covering, or to any damage resulting therefrom, and that no carrier shall be responsible for any damage of such nature. The vessel shall be at liberty to call at any port or ports in or out of the customary route, to tow and be towed, to transfer, trans-ship, or lighter, to load and discharge goods at any time, to assist vessels in distress, to deviate for the purpose of saving life or property, and for docking and repairs.

This bill of lading is not to be used on traffic from a point in the United States destined to an adjacent foreign country.

**Part 1.—With respect to the service until delivery at the port (A) first above mentioned it is agreed that—**

1. (a) The carrier or party in possession of any of the property herein described shall be liable as at common law for any loss thereof or damage thereto except as hereinafter provided.

(b) No carrier or party in possession of all or any of the property herein described shall be liable for any loss thereof or damage thereto or delay caused by the act of God, the public enemy, the authority of law, or the act or default of the shipper or owner, or for natural shrinkage. The carrier's liability shall be that of warehouseman, only, for loss, damage, or delay caused by fire occurring after the expiration of the free time allowed by tariffs lawfully on file (such free time to be computed as therein provided) after notice of the arrival of the property at destination or at the port of export (if intended for export) has been duly sent or given, and after placement of the property for delivery at the port of export, or tender of delivery of the property to the party entitled to receive it, has been made. Except in case of negligence of the carrier or party in possession (and the burden to prove freedom from such negligence shall be on the carrier or party in possession), the carrier or party in possession shall not be liable for loss, damage, or delay occurring while the property is stopped and held in transit upon the request of the shipper, owner, or party entitled to make such request, or resulting from a defect or vice in the property, or for country damage to cotton, or from riots or strikes.

(c) In case of quarantine the property may be discharged at risk and expense of owners into quarantine depot or elsewhere, as required by quarantine regulations, or authorities, or for the carrier's dispatch, at nearest available point in carrier's judgment, and in any such case carrier's responsibility shall cease when the property is so discharged, or the property may be returned by carrier at owner's expense to shipping point, carrying freight both ways. Quarantine expenses of whatever nature or kind upon or in respect to the property shall be borne by the owners of the property or be a lien thereon. The carrier shall not be liable for loss or damage occasioned by fumigation or disinfection or other acts required or done by quarantine regulations or authorities, even though the same may have been done by carrier's officers, agents, employees, or crew, nor for detention, loss or damage of any kind occasioned by quarantine or the enforcement thereof. No carrier shall be liable except in case of negligence for any mistake or inaccuracy in any information furnished by the carrier, its agents, or officers, as to quarantine laws or regulations. The shipper shall hold the carriers harmless from any expense they may incur, or damages they may be required to pay, by reason of the introduction of the property covered by this contract into any place against the quarantine laws or regulations in effect at such place.

2.-(a) In issuing this bill of lading this company agrees to transport only over its own line and acts only as agent with respect to the portion of the route beyond its own line.

(b) No carrier shall be liable for loss, damage, or injury not occurring on its own road or its own water line or its portion of the through route, nor after said property has been delivered to the next carrier.

3. (a) No carrier is bound to transport said property by any particular train or vessel, or in time for any particular market or otherwise than with reasonable dispatch. Every carrier shall have the right in case of physical necessity to forward said property by any carrier or route between the point of shipment and said port (A).

(b) The amount of any loss or damage, including loss or damage arising from delay for which any carrier is liable, shall be computed on the basis of the value of the property (being the bona fide invoice price, if any, to the consignee, including the freight charges, if paid) at the place and time of shipment under this bill of lading, unless a lower value has been represented in writing by the shipper or has been agreed upon or is determined by the classification or tariffs upon which the rate is based, in any of which events such lower value shall be the maximum amount to govern such computation, whether or not such loss or damage occurs from negligence.

(c) Claims for loss, damage, or delay must be made in writing to the carrier at the port of export or to the carrier issuing this bill of lading within nine months after delivery of the property at said port (A), or, in case of failure to make such delivery, then within nine months after a reasonable time for such delivery has elapsed; and claims so made against said delivering or issuing carrier shall be deemed to have been made against any carrier which may be liable hereunder. Unless claims are so made the carrier shall not be liable.

(d) Any carrier or party liable on account of loss or damage to any of said property shall have the full benefit of any insurance that may have been effected upon or on account of said property, so far as this shall not avoid the policies or contracts of insurance: Provided, That the carrier reimburse the claimant for the premium paid thereon.

4. Except where such service is required as the result of carrier's negligence, all property shall be subject to necessary trespassage and baling at owner's cost. Each carrier over whose route cotton or cotton linters is to be transported hereunder shall have the privilege, at its own cost and risk, of compressing the same for greater convenience in handling or forwarding, and shall not be held responsible for deviation or unavoidable delays in procuring such compression.

(Continued on back)

76e-5

8. (a) Property not removed by the exporting carrier, or the party entitled to receive it, within the free time allowed by tariffs lawfully on file (such free time to be computed as therein provided), after notice of the arrival of the property at port (A) has been duly sent or given, and after placement of the property for delivery at port (A), or transfer of the property for delivery upon order of the party entitled to receive it has been made, may be kept in vessel, car, depot, or place of delivery of the carrier or warehouse, subject to the tariff charge for storage and to the carrier's responsibility as that of warehouseman only, or, at the option of the carrier, may be removed to and stored in any warehouse or licensed warehouse at port (A), or other available place at the cost of the owner, and there held without liability on the part of the carrier, and subject to a lien for all freight and other lawful charges, including a reasonable charge for storage and [illegible]

(b) Property destined to or taken from a station, wharf, or landing at which there is no regularly appointed freight agent shall be entirely at risk of owner after unloaded from cars or vessels or until loaded into cars or vessels, and [illegible] in case of carrier's negligence, while received from or delivered to connecting carriers, wharves, or landings shall be at owner's risk until the cars are attached to and after they are detached from locomotive or train or until loaded into and after unloaded from vessels.

4. No carrier hereunder will carry or be liable in any way for any documents, specie, or for any articles of extraordinary value not specifically rated in the published classifications or tariffs unless a special agreement to do so and a stipulated value of the article are indorsed hereon.

7. Every party, whether principal or agent, shipping explosives or dangerous goods, without previously giving full written information and securing the assent of the carrier, shall be liable for and indemnify the carrier against all loss or damage caused by such goods, and such goods may be warehoused at owner's risk and expense or destroyed without compensation.

8. The owner or consignee shall pay the freight, and average, if any, and all other lawful charges accruing on said property, and, if required, shall pay the same before delivery. If, upon inspection, it is ascertained that the articles shipped are not those described in this bill of lading, the freight charges must be paid upon the articles actually shipped.

9. (a) If all or any part of said property is carried by water over any part of said route, such water carriage shall be performed subject to all the terms and provisions of, and all the exemptions from liability contained in, the Act of Congress of the United States, approved on February 13, 1893, and entitled "An Act relating to the navigation of vessels, etc.," and of other statutes of the United States according carriers by water the protection of limited liability, and to the conditions contained in this bill of lading not inconsistent therewith or with this section.

(b) No such carrier by water shall be liable for any loss or damage resulting from any fire happening to or on board the vessel or from explosion, bursting of boilers, or breakage of shafts, unless caused by the design or neglect of such carrier.

(c) If the owner shall have exercised due diligence in making the vessel in all respects seaworthy and properly manned; equipped, and supplied, [illegible] for any loss or damage resulting from the perils of the lakes, seas, or other waters, or from latent defects in hull, machinery, or appurtenances, [illegible] of, or after sailing, or from collision, stranding, or other accidents of navigation, or from prolongation of the voyage. Except in case of negligence, such carrier shall not be responsible for any loss or damage to property if it be necessary or is usual to carry the same upon deck.

(d) General average shall be payable according to the York-Antwerp Rules of 1924, sections 1 to 15, inclusive, and sections 17 to 22, inclusive, and as to matters not covered thereby according to the laws and usages of the Port of New York. If the owners shall have exercised due diligence to make the vessel in all respects seaworthy and properly manned, equipped, and supplied, it is hereby agreed, that in case of danger, damage, or disaster resulting from faults or errors in navigation, or in the management of the vessel, or from any latent defect in the vessel, her machinery or appurtenances, or from unseaworthiness, whether existing at the time of shipment or at the beginning of the voyage, provided the latent defect or other defects or the unseaworthiness was not discoverable by the exercise of due diligence), the shippers, consignees, and/or owners of the cargo shall nevertheless pay salvage and any special charges incurred in respect of the cargo and shall contribute with the shipowner in general average to the payment of any sacrifices, losses, or expenses of a general average nature that may be made or incurred for the common benefit or to relieve the adventure from any common peril.

(e) If the property is being carried under a tariff which provides that any carrier or carriers party thereto shall be liable for loss from perils of the sea, then as to such carrier or carriers the provisions of this section shall be modified in accordance with the tariff provisions, which shall be regarded as incorporated into the conditions of this bill of lading.

(f) The term "water carriage" in this section shall not be construed as including lighterage in or across rivers, harbors, or lakes, when performed by or on behalf of the [illegible] carrier shall here be liable for loss or damage occasioned by fire from any cause or whatsoever occurring; by barratry of the master or crew; by enemies, pirates, or robbers; by arrest or restraint of princes, rulers or people, riots, strikes, or stoppage of labor; by explosion, bursting of boilers, breakage of shafts, or any latent defect in hull, machinery, or appurtenances, or unseaworthiness of the vessel, whether existing at time of shipment, or at the beginning of the voyage, provided the owners have exercised due diligence to make the vessel seaworthy; by fumigation under Government orders; by heating, frost, decay, putrefaction, rust, sweat, change of character, drainage, leakage, breakage, vermin, or by explosion of any of the goods whether shipped with or without disclosure of their nature, or any loss or damage arising from the nature of the goods or the insufficiency of packages; nor for inland damage; nor for the obliteration, errors, insufficiency or absence of marks, numbers, address, or description; nor for risk of craft, hulk, or trans-shipment; nor for any loss or damage caused by the prolongation of the voyage. The ocean carrier shall not be concluded as to correctness of statements herein of quality, quantity, gauge, contents, weight, and value.

10. (a) No carrier shall be liable for delay not occurring on its own line, or not the result of its negligence, nor in any respect other than as warehouseman, while the property awaits further conveyance after proper tender of delivery to the next connecting carrier has been made, and if the whole or any part of the property specified herein be prevented by any cause from going from the port of export in the vessel for which intended, the carrier hereunder then in possession is at liberty to forward said property by another vessel of the ocean carrier, or, if deemed necessary, by any other vessel, dispatching notice thereof to the shipper and consignee.

(b) It shall be the duty of the carrier by railroad to deliver such property to the vessel as a part of its undertaking as a common carrier.

**Part II.—With respect to the service after delivery at the port (A) first above mentioned, and until delivery at the port (B) second above mentioned, it is agreed that—**

1. (a) The vessel shall have liberty to sail with or without pilots; the ocean carrier shall have liberty to convey goods in craft and/or lighters to and from the vessel at the risk of the owners of the goods; and, in case the vessel shall put into a port of refuge, or be prevented from any cause from proceeding in the ordinary course of her voyage, to trans-ship the goods to their destination by any other vessel, dispatching notice thereof to the consignee, if named herein (at destination named), said otherwise to the shipper. The ocean carrier shall here be liable for loss or damage occasioned by fire from any cause or wheresoever occurring; by barratry of the master or crew; by enemies, pirates, or robbers; by arrest or restraint of princes, rulers or people, riots, strikes, or stoppage of labor; by explosion, bursting of boilers, breakage of shafts, or any latent defect in hull, machinery, or appurtenances, or unseaworthiness of the vessel, whether existing at time of shipment, or at the beginning of the voyage, provided the owners have exercised due diligence to make the vessel seaworthy; by fumigation under Government orders; by heating, frost, decay, putrefaction, rust, sweat, change of character, drainage, leakage, breakage, vermin, or by explosion of any of the goods whether shipped with or without disclosure of their nature, or any loss or damage arising from the nature of the goods or the insufficiency of packages; nor for inland damage; nor for the obliteration, errors, insufficiency or absence of marks, numbers, address, or description; nor for risk of craft, hulk, or trans-shipment; nor for any loss or damage caused by the prolongation of the voyage. The ocean carrier shall not be concluded as to correctness of statements herein of quality, quantity, gauge, contents, weight, and value.

(b) General average shall be payable according to the York-Antwerp Rules of 1924, sections 1 to 15, inclusive, and sections 17 to 22, inclusive, and as to matters not covered thereby according to the laws and usages of the Port of New York. If the owners shall have exercised due diligence to make the vessel in all respects seaworthy and properly manned, equipped, and supplied, it is hereby agreed that in case of danger, damage, or disaster resulting from faults or errors in navigation, or in the management of the vessel, or from any latent or other defects in the vessel, her machinery or appurtenances, or from unseaworthiness, whether existing at the time of shipment or at the beginning of the voyage (provided the latent or other defects or the unseaworthiness was not discoverable by the exercise of due diligence), the shippers, consignees, and/or owners of the cargo shall nevertheless pay salvage and any special charges incurred in respect of the cargo, and shall contribute with the shipowner in general average to the payment of any sacrifices, losses, or expenses of a general average nature that may be made or incurred for the common benefit or to relieve the adventure from any common peril.

2. This shipment until delivery at the port (B) second above mentioned is subject to all the terms and provisions of, and all the exemptions from liability contained in, the Act of Congress of the United States, approved on the 13th day of February, 1893, and entitled, "An Act relating to the navigation of vessels, etc." This shipment is subject to the provisions of Sections 4281-4286, inclusive, of the Revised Statutes of the United States.

3. (a) The value of each package shipped hereunder does not exceed two hundred and fifty dollars unless otherwise stated herein, on which basis the freight is adjusted, and the ocean carrier's liability shall in no case exceed that sum or the invoice value (including freight charges, if paid, and including duty if paid and not returnable), whichever shall be the lesser, unless a value in excess thereof be specially declared, and stated herein, and extra freight as may be agreed upon, paid. Any partial loss or damage for which the carrier may be liable shall be adjusted pro rata on the above basis.

(b) Notice of loss, damage, or delay must be given in writing to the carrier receiving the goods for transportation between Port A and Port B within 30 days after the removal of the goods from the custody of such carrier, or, in case of failure to make delivery, within 30 days after the goods should have been delivered; provided that if the loss or damage is apparent at the time of the removal of the goods from the custody of the carrier, the notice of loss, damage, or delay must be given before the goods are so removed, in which case notation of the loss or damage made on the receipt given to the carrier for the goods shall constitute the notice herein required. Written claim must be filed with such carrier within nine months after giving the aforesaid written notice. Unless such notice is given and claim filed as above provided, the carrier shall not be liable. No suit to recover for such loss damage, or delay shall be maintained unless instituted within one year after the giving of the written notice of loss, damage, or delay above provided for.

(c) The carrier shall not be entitled to the benefit of any insurance that may have been effected by the shipper upon the goods shipped thereunder.

4. Shippers shall be liable for any loss or damage to vessel or cargo, caused by inflammable, explosive, or dangerous goods, shipped without full disclosure of their nature, whether such shipper be principal or agent; and such goods so shipped may be thrown overboard or destroyed at any time without compensation.

5. The carrier shall have a lien on the goods for all freights and charges and any sums that may be due under this bill of lading, and also for all fines or damages which the vessel or cargo may incur or suffer by reason of the illegal, incorrect or insufficient marking, numbering or addressing of packages or description of their contents.

6. If the vessel is prevented from reaching her destination by Quarantine, the carrier may discharge the goods into any depot or lazaretto, under suitable available protection dispatching notice thereof to the consignee, if named herein (at destination named), and otherwise to the shipper, and such discharge shall be deemed a final delivery under this contract, and all the expenses thereby incurred on the goods shall be a lien thereon.

7. The vessel may commence discharging immediately on arrival and discharge continuously, any custom of the port to the contrary notwithstanding, the Collector of the Port or other proper officer being hereby authorized to grant a general order for discharge immediately on arrival, and if the goods be not taken from the vessel by the consignee directly they come to hand in discharging the vessel, the master or vessel's agent may, at liberty to enter and land the goods, or put them into craft or store at the owner's risk and expense, dispatching notice thereof to the consignee, if named herein (at destination named), and otherwise to the shipper, when the goods shall be deemed delivered and vessel's responsibility ended, but the vessel and carrier to have a lien on such goods until the payment of all costs and charges so incurred.

8. If on a sale of the goods at destination for freight and charges, the proceeds fail to cover said freight and charges, the ocean carrier shall be entitled to recover the difference from the shipper, owner, or consignee. Full freight is payable on damaged or unsound goods; but no freight is due on any increase in bulk or weight caused by the absorption of water during the voyage. Freight prepaid will not be returned provided the goods have been loaded on the vessel.

9. In the event of claims for [illegible] delivery when the vessel reaches her destination, the values shall be adjusted as per conditions under Clause 3, less all charges saved, vessel being responsible only for [illegible] of the goods as has been actually delivered to the vessel at the port (A) above mentioned, and vessel not liable for any loss or damage that may have occurred before such delivery, while agreeing to present promptly to inland carriers for account of owners of goods any claims for shortage or loss or damage that may have occurred before delivery of the goods at the port (A) above mentioned.

10. Goods on craft awaiting shipment of delivery shall not be at ocean carrier's risk of loss or damage not happening through the fault or negligence of the owner, master, agent or manager of the vessel, any custom of the port to the contrary notwithstanding.

11. This bill of lading, duly indorsed, shall be given up to the vessel's consignee in exchange for delivery order.

12. Freight payable on weight if to be paid on gross weight landed from ocean vessel, unless herein otherwise provided, or unless the carrier elects to take the freight on the bill of lading weight, but inland freight and charges paid on wheat, peas, maize, or other grain, or seed, or other bulk articles, from point of shipment to seaboard shall be paid by consignee at destination on the weight delivered on board ocean vessel.

13. If from any cause the whole or any part of the articles specified herein do not go in the vessel for which intended, the carrier shall forward them by other vessel or vessels employed by the ocean carrier, or by other vessels.

14. The property covered by this bill of lading is subject to all conditions expressed in the regular form of port bill of lading in use by the steamship company on the date of execution of this document and on file, in accordance with the rules and regulations of the United States Shipping Board and/or the Interstate Commerce Commission, but if any of such conditions are in conflict with conditions 1 to 15 of Part II of this bill of lading, the latter conditions shall control.

15. If the goods covered by this bill of lading are consigned hereunder beyond the port (B), the trans-shipment to connecting carrier shall be at the risk of the owner of the goods but at vessel's expense, and all liability of the ocean carrier hereunder terminates on delivery to connecting carrier.

**Part III.—With respect to the service after delivery at the port (B) second above mentioned, said until delivery at ultimate destination if destined beyond that port, it is agreed that—**

1. In case the regular vessel service to final port of delivery should for any reason be suspended or interrupted, the ocean carrier, at the option of the owner or consignee of the goods, or the holder of the bill of lading, may forward the goods to the nearest available port, this to be considered a final delivery; or to store them at the port (B) second above mentioned at the risk and expense of the goods until regular service to final port of destination is opened again.

2. The property shall be subject exclusively to all the conditions of the carrier or carriers completing the transit.

3. The addressing of arrival notice to the notify party shall be exclusively the obligation of the carrier completing the transit.

**AND FINALLY**, in accepting this bill of lading, the shipper, owner, and consignee of the goods, and the holder of the bill of lading, agree to be bound by all its stipulations, exceptions, and conditions, whether written or printed, as fully as if they were all signed by such shipper, owner, consignee or holder.

*IN WITNESS WHEREOF, the agent signing on behalf of the said THE YAZOO & MISSISSIPPI VALLEY RAILROAD COMPAN*

*of the said Ocean Carrier or Ocean Vessel and her owner, severally and not jointly, hath affirmed to*

*Bills of Lading, all of this tenor and date, one of which Bills being accomplished, the others to stand void.*

.....Shipper.

.....Agent.

760-6

EXHIBIT "J"

Only one Supplement to this Tariff will be in effect at any time.

C. R. C. No. 795.
(For Cancellation refer to page 2.)

I. C. C. No. 6828.
(For Cancellation refer to page 2.)

# The Yazoo and Mississippi Valley Railroad Company
# Illinois Central Railroad Company
(SOUTHERN LINES)

4

444-G
(For Cancellation refer to page 2.)

Stamp Here Date Received.

LOCAL AND JOINT FREIGHT TARIFF

APPLYING ON

# COTTON AND COTTON LINTERS OR REGINS

FROM STATIONS ON

## The Yazoo and Mississippi Valley Railroad
(Indexed on Page 2.)

TO

# CLEVELAND, MISS.

FOR

COMPRESSION AND SHIPMENT

TO

Eastern Cities, Interior Eastern and Canadian Points, New Orleans, La., Pacific Coast Points and Other Points Shown Herein.

CLASSIFICATION

Governed, except as otherwise provided herein, by Southern Classification No. 46, Agent E. H. Dulaney's I. C. C. No. 15, supplements thereto or reissues thereof.

ISSUED SEPTEMBER 12, 1924. EFFECTIVE OCTOBER 18, 1924.

ISSUED BY

JOSEPH HATTENDORF, General Freight Agent,
I. C. R. R. CO. (Southern Lines) and The Y. and M. V. R. R. CO.
MEMPHIS, TENN.

D. W. LONGSTREET,
Traffic Manager,
CHICAGO, ILL.

V. D. FORT,
Assistant Traffic Manager,
CHICAGO, ILL.

1500 (65186) COURIER-JOURNAL JOB PTG. CO., LOUISVILLE

76-g

## CANCELLATION.

The rates and rules provided herein supersede rates and rules provided in Tariff No. 444-F, I. C. C. No. 6478, C. R. C. No. 732, EXCEPT THAT cotton and cotton linters or regins which moved, prior to October 18, 1924, from points of origin, shown on inbound paid freight bills surrendered, into Cleveland, Miss., and is shipped, compressed, from Cleveland, Miss., on and after October 18, 1924, is subject to the rates and rules provided in Tariff No. 444-F, I. C. C. No. 6478, C. R. C. No. 732.

The rates and rules provided in Tariff No. 444-G, I. C. C. No. 6828, C. R. C. No. 795, apply on cotton and cotton linters or regins which move on and after October 18, 1924, from points of origin shown on inbound paid freight bills surrendered.

## ALPHABETICAL LIST OF POINTS OF ORIGIN.

| STATION | Index No. | STATION | Index No. | STATION | Index No. |
|---|---|---|---|---|---|
| Aldridge Miss | 40 | Erots Miss | 44 | Niles Miss | 88 |
| Alligator " | 4 | Estill " | 52 | Nitta Yuma " | 64 |
| Anguilla " | 68 | Gill " | 128 | O'Reillys " | 24 |
| Appeal " | 26 | Gum Pond " | 6 | Overby " | 58 |
| Arcola " | 48 | Halstead " | 106 | Pace " | 96 |
| Barrow " | 110 | Head " | 34 | Panther Burn " | 62 |
| Benoit " | 140 | Helm " | 32 | Percy " | 60 |
| Bobo " | 2 | Hollandale " | 56 | Renova " | 20 |
| Bourbon " | 120 | Holly Knowe " | 114 | Riverside Junction " | 72 |
| Boyle " | 22 | Hushpuckana " | 10 | Rolling Fork " | 74 |
| Buelah " | 130 | Isenberg " | 38 | Shaw " | 28 |
| Burdette " | 42 | Jacobs " | 86 | Shelby " | 12 |
| Busey " | 78 | Kimball Lake " | 100 | Skene " | 104 |
| Brown's Spur " | 116 | Laughlin " | 102 | Symonds " | 92 |
| Byng " | 134 | Lees " | 80 | Trail Lake " | 124 |
| Cameta " | 66 | Littons " | 84 | Tribbett " | 118 |
| Choctaw " | 30 | Lobdell " | 136 | Turners " | 82 |
| Christmas " | 132 | Malvina " | 90 | Victor " | 98 |
| Clifford " | 94 | McCutcheon " | 50 | Warsaw " | 54 |
| Dahomey " | 138 | McGrath " | 122 | White City " | 108 |
| Dockery " | 112 | Merigold " | 18 | Wilmot " | 46 |
| Duncan " | 8 | Mont Helena " | 70 | Wyandotte " | 14 |
| Elizabeth " | 36 | Mound Bayou " | 16 | Yerger " | 126 |
| | | Napanee " | 76 | | |

### APPLICATION OF TARIFF.

(a) Except as otherwise specifically provided, cotton, cotton linters or regins (see paragraph (c)) may be forwarded via The Y. and M. V. R. R. from points of origin shown on page 6 to Cleveland, Miss. and reshipped via The Y. and M. V. R. R., from Cleveland, Miss. to points to which through rates are published from origins specified on page 6 to destinations, in the following tariffs, supplements thereto or reissues thereof.

| I. C. C. No. | I. C. R. R. Co. AND THE Y. AND M. V. R. R. Co. TARIFF No. | ISSUED BY |
|---|---|---|
| A-473 | 13432-D | Agent J. H. Glenn. |
| A-466 | 13436-E | Agent J. H. Glenn. |
| A-388 | 13430-C | Agent J. H. Glenn. |
| A-365 | 13434-C | Agent J. H. Glenn. |
| 1137 | For. 376-X | Agent R. H. Countiss. |
| 1130 | 4409-Q | Agent R. H. Countiss. |
| 1129 | 4407-P | Agent R. H. Countiss. |
| 6420 | 302-H | I. C. R. R. Co. The Y. and M. V. R. R. Co. |

ALSO to destinations to which specific through rates are not provided in tariffs above mentioned and where through rates from origin to destination are constructed on the bases provided in Agent B. T. Jones' Freight Tariff 228, I. C. C. U. S.-1, supplements thereto or reissues thereof.

(b) Cotton, cotton linters or regins (see Paragraph (c)) may be forwarded via The Y. and M. V. R. R. from points of origin on The Y. and M. V. R. R. Index Numbers 2 to 38 inclusive, page 6 to Cleveland, Miss. and reshipped from Cleveland, Miss. to New Orleans, La., via The Y. and M. V. R. R., Vicksburg, Miss., and Mississippi-Warrior Service, to the extent that through rates are published from origins specified to New Orleans, La., proper or for export in the following Tariff, supplements thereto or reissues thereof.

| I. C. C. No. | I. C. R. R. Co. AND THE Y. AND M. V. R. R. Co. TARIFF No. | ISSUED BY |
|---|---|---|
| A-66 | 13716-C | Agent W. M. Hough. |

(c) Will not apply on shipments of 20,000 pounds or more of cotton linters or regins carloads.

110

76g-1

Charges resulting from rates in this schedule, or as amended, are subject to Agent F. L. Speiden's Tariff of Emergency Charges No. 250-A, I. C. C. 1616, supplements thereto or successive issues thereof

Supplement No. 19 to
**C. R. C. No. 795**
(Cancels Supplement No. 18)
(Supplement No. 19 contains all changes from the original Tariff that are effective on the date hereof)

Supplement No. 20 to
**I. C. C. No. 6828**
(Cancels Supplement No. 18)
(Supplements Nos. ①19 and 20 contain all changes from the original Tariff that are effective on the date hereof)

# The Yazoo and Mississippi Valley Railroad Company

ILLINOIS CENTRAL SYSTEM — COURTESY EFFICIENT SERVICE ALWAYS

**SUPPLEMENT No. 20**
(Cancels Supplement No. 18)
(Supplements Nos. ①19 and 20 contain all changes from the original Tariff that are effective on the date hereof)

TO

## 444-G

## FREIGHT TARIFF

OF

## RULES AND REGULATIONS

APPLYING ON

# COTTON

FROM STATIONS ON

**THE YAZOO AND MISSISSIPPI VALLEY RAILROAD**
(INDEXED ON PAGE 2 OF TARIFF, AS AMENDED)

TO

## CLEVELAND, MISS.

FOR

## COMPRESSION AND SHIPMENT

TO

**Eastern Cities, Interior Eastern and Canadian Points, New Orleans, La., Pacific Coast Points and Other Points Shown in Tariff and Herein**

STAMP HERE

DATE RECEIVED

**CLASSIFICATION**

Governed, except as otherwise provided herein, by Southern Classification No. 49, Agent E. H. Dulaney's I. C. C. No. 34, and by supplements to or successive issues of said publication.

**ISSUED MAY 20, 1932**

**EFFECTIVE JUNE 23, 1932**
(Except as otherwise provided herein)

①Special Supplement—Emergency Charges.

Issued by

V. D. FORT
Freight Traffic Manager
CHICAGO, ILL.

J. L. SHEPPARD, General Freight Agent
135 East Eleventh Place
CHICAGO, ILL.

JOSEPH HATTENDORF
Assistant Freight Traffic Manager
CHICAGO, ILL.

(468)

(500) (22973) Cerley-Gunn—St. Louis (Printed in U. S. A.)

111

16g-2

**[7]CANCELLATION**

Transit privileges authorized in Tariff, and as amended, on Cotton Linters and Regins are hereby cancelled, account of no movement.

**[11]APPLICATION OF TARIFF**

**(Cancels Application of Tariff as shown on page 2 of Supplement No. 10)**

(a) Except as otherwise specifically provided, cotton may be forwarded via The Y. and M. V. R. R. from points of origin shown on page 6 of Tariff, and as amended, to Cleveland, Miss., and reshipped via The Y. and M. V. R. R. from Cleveland, Miss. to points to which through rates are published from origins specified on page 6 of Tariff, and as amended, to destinations in the following Tariffs, supplements thereto or successive issues thereof.

| I. C. C. No. | I. C. R. R. Co. AND THE Y. AND M. V. R. R. Co. TARIFF No. | ISSUED BY |
|---|---|---|
| A-723 | 2406-D | Agent J. H. Glenn |
| 1515 | 13432-G | Agent F. L. Speiden |
| A-692 | 13436-G | Agent J. H. Glenn |
| A-598 | 13430-D | Agent J. H. Glenn |
| A-661 | 13434-E | Agent J. H. Glenn |
| 1272 | For.-376-EE | Agent H. G. Toll |
| 1277 | 16539-E | Agent H. G. Toll |
| 1273 | 16677-D | Agent H. G. Toll |
| 7462 | 302-K | I. C. R. R. Co.-The Y. and M. V. R. R. Co. |
| 6484 | 304-I | I. C. R. R. Co.-The Y. and M. V. R. R. Co. |
| 7222 | 204-F | The Y. and M. V. R. R. Co. |

**Also** to destinations to which specific through rates are not provided in Tariffs above mentioned and where through rates from origin to destination are constructed on the bases provided in Agent B. T. Jones' Freight Tariff No. 228, I. C. C. No. U. S.-1, supplements thereto or successive issues thereof.

(b) Cotton may be forwarded via The Y. and M. V. R. R. from points of origin on The Y. and M. V. R. R. shown on page 6 of Tariff, and as amended, to Cleveland, Miss., and reshipped from Cleveland, Miss., to New Orleans, La., via The Y. and M. V. R. R., Vicksburg, Miss., and Mississippi-Warrior Service, to the extent that through rates are published from origins specified to New Orleans, La., proper or for export in the following Tariff, supplements thereto or successive issues thereof:

| I. C. C. No. | I. C. R. R. Co. AND THE Y. AND M. V. R. R. Co. TARIFF No. | ISSUED BY |
|---|---|---|
| A-192 | 13716-I | Agent L. D. Chaffee |

(c) Canceled.

**RULES**

**The following Rules govern the handling of Uncompressed Cotton under this Tariff and as amended**
**To Be Compressed At**
**CLEVELAND, MISS.**
**And Forwarded Via**

The Yazoo and Mississippi Valley Railroad or via The Yazoo and Mississippi Valley Railroad, Vicksburg, Miss., and Mississippi-Warrior Service as provided in "Application of Tariff" on page 2 herein.

**[7]Rule 3 (Cancels Rule 3, page 2 of Supplement No. 6)**

**SURRENDER OF PAID FREIGHT BILLS**

(a) When settlement is to be effected by claim as authorized in Rule 1, page 2 of Tariff, original paid freight bills covering inbound movement of uncompressed cotton from points of origin specified in Tariff, and as amended, must be attached to claims for refund to the basis authorized in Tariff, and as amended.

(b) Except as provided in paragraph (a) when compressed cotton is tendered for shipment from Cleveland, Miss., original paid freight bills covering inbound movement of uncompressed cotton from points of origin specified in Tariff, and as amended, must be surrendered to the railroad agent as evidence that such shipment is entitled, subject to the provisions of these rules, to the application of through rates authorized by Rule 5, page 3 of Tariff.

(c) Inbound paid freight bills surrendered must be representative of the outbound shipments, viz.:

| When Outbound Shipments Consist Of | Inbound Paid Freight Bills Must Be Surrendered For |
|---|---|
| Compressed Cotton | Uncompressed Cotton |

**[13]Rule 6 (Cancels Rule 6, page 3 of Tariff)**

**SHIPMENTS TO PACIFIC COAST POINTS (For Export)**

On cotton shipped from Cleveland, Miss., in carloads to Portland, Ore. (for export), San Francisco, Cal. (for export), Seattle, Wash. (for export), or Tacoma, Wash. (for export), the carload rates and minimum weight as published in Trans-Continental Tariffs Nos. 1-K, 4-H and 29-V, Agent H. G. Toll's I. C. C. No. 1273, C. R. C. No. 594, I. C. C. No. 1277, C. R. C. No. 596, and I. C. C. No. 1272, C. R. C. No. 593 (I. C. R. R. Co. Tariffs Nos. 16677-D, 16539-E and Foreign 376-EE), respectively, supplements thereto or successive issues thereof, will be applied from each point of origin as represented by the inbound paid freight bills surrendered, regardless of whether the cotton moved into Cleveland, Miss., in carloads or less carloads. (See Rule 5 (e), page 3 of Tariff.) Where back or circuitous hauls involved, charges and provisions of Rule 7, page 4 of Tariff, to be observed.

[7]**Reissued** from Supplement No. 7, effective December 15, 1927.
[11]**Reissued** from Supplement No. 11, effective August 28, 1929.
[13]**Reissued** from Supplement No. 13, effective November 28, 1929.

112

76g-3

**RULES—Continued**

**RULE 8—(Cancels Rule 8, page 3 of Supplement No. 18)**

**TIME LIMIT ON PAID FREIGHT BILLS**

"(a) The transit privileges authorized in this Tariff, supplements thereto and successive issues thereof, apply only when shipments are made from transit point within twelve (12) months next following the date of original paid freight bill covering the shipment inbound, except as provided in paragraph (b)."

"(b) In the event the transit users operating under the provisions of this Tariff are unable to avail themselves of the transit privileges authorized in this Tariff, supplements thereto and successive issues thereof, on freight bills bearing dates May 29, 1929, to July 31, 1930, within the limit named in paragraph (a) above, the time limit as provided in paragraph (a) will be extended to eighteen (18) months from date of paid freight bill covering inbound movement of Cotton, subject to the following conditions:

These rules do not include expense bills on which the time limit of twelve (12) months has already expired.

"Shippers desiring such extensions must make application to the carriers or to the Southern Weighing and Inspection Bureau in writing prior to the expiration of time limit of freight bills, as provided in paragraph (a), on which such extension is desired.

"A certified inventory showing the amount of Cotton then on hand must accompany such application.

"Upon receipt of application for extension of time limit the carriers shall verify such inventory and render invalid for reshipment under the terms of this Tariff such freight bills, if any, as are not represented by Cotton then on hand. In making such verification, inspector shall take into consideration those upon which the time limit is desired to be extended as well as all other freight bills against which outbound shipments have not been made in accordance with the tariffs.

"The time limit of such remaining freight bills as are represented by Cotton then on hand will then be extended to eighteen (18) months from date of such freight bills and the following notation shall be made on all freight bills so extended:

> "The time limit for transit of Cotton represented by this freight bill is hereby extended to eighteen (18) months, under the terms of Rule 8 of The Y. and M. V. R. R.-I. C. R. R. Tariff No. 444-G, I. C. C. No. 6828, supplements thereto or successive issues thereof.
>
> (Signed) _____
>
> Inspector"

(c) The time limit of freight bills provided in paragraphs (a) and (b) of this rule that are on December 19, 1930, available for transit and freight bills for shipments received at transit point to and including December 31, 1930, are hereby extended to and including December 31, 1931.

↓(1)(d) Freight bills which under the provisions published in Paragraphs (a), (b) and (c) of this rule are available for transit on December 31, 1931, will be accepted under these rules for reshipment on or before December 31, 1932; however, this provision will not include freight bills on which the time limit expired before June 1, 1932. (CO-262-385)

[3]**RULE 14—(Cancels Rule 14, page 4 of Tariff)**

**EXCESS WEIGHT, DIFFERENCES IN WEIGHTS AND CREDIT SLIPS**

If the weight of the outbound shipment exceeds the weight represented by the inbound paid freight bills, the excess weight is not entitled to transit rate, but will be charged for at the lawfully published rate from Cleveland, Miss., proper, to final destination. (The carload rates to apply as authorized in Rule 5, page 3 of Tariff.)

If the weight represented by the inbound paid freight bills surrendered is in excess of the transit weight of the outbound shipment the shipper will be given a credit slip for such excess weight, which may be used for shipment within the life of the freight bill of which such excess is a part; provided, however, no credit slip will be given for that weight which is lost through the process of sampling, etc., and provided, further, that no such credit slip will be given for less than five hundred pounds on any one paid freight bill.

**RULE 15—(Cancels Rule 15, page 4 of Tariff)**

**COMPRESSING IN CASES OF EMERGENCY**

The object and purpose of these rules is to permit the movement of Uncompressed Cotton, as provided herein, to Cleveland, Miss., for compression and shipment to destinations shown in this Tariff.

(a) If, however, highwater, breakdown, accident, damage, destruction by fire, receipts beyond capacity or other cause, renders compress unavailable for prompt service or inaccessible to The Yazoo and Mississippi Valley Railroad Company, The Yazoo and Mississippi Valley Railroad Company reserves the right to use any available or accessible compress without additional charge to shipper.

↓(b) In the event that threatened highwater or other emergency, shall make it necessary to move Uncompressed Cotton from some other compress or warehouse to the compress at Cleveland, Miss., for storage and/or compression and reshipment, such Cotton may be moved, at the option of The Yazoo and Mississippi Valley Railroad Company, as provided in Paragraphs (c) and (d) below, without additional charge to the shipper.

↓(c) Cotton will be waybilled from first compress point at tariff rates lawfully on file with Interstate Commerce Commission to Cleveland, Miss, and when the Compressed Cotton is shipped from Cleveland, Miss., through rates will be applied from original point of shipment to final destination, shown in tariffs lawfully on file with the Interstate Commerce Commission, after deducting total amount of charges as shown on paid freight bills surrendered.

↓(d) On Transit Cotton, the point from which Cotton was shipped into the first compress will be considered the point from which the through rate will be applied. Back haul charges, if any, applicable at first compress point, will be added to through rates and will accrue to The Yazoo and Mississippi Valley Railroad Company. (CO-262-363-B-1)

[10]**RULE 16—(Cancels Rule 16, page 5 of Tariff)**

**RECORDS KEPT BY SHIPPERS AND INSPECTION BY CARRIER**

The Yazoo and Mississippi Valley Railroad Co. will, through its duly appointed agents, make such investigation of the records of the shippers or their agents including compresses, accorded transit privileges as may be necessary and all shippers or their agents including compresses, accorded transit privileges as herein defined, shall keep record of receipts from all sources and of all dispositions of Cotton. Affidavit as to the accuracy of such records shall be furnished representatives of The Yazoo and Mississippi Valley Railroad Co. when required. In the event of failure or refusal on the part of shippers or their agents including compresses, to maintain such records, or in all particulars to conform to these rules transit privileges will be refused. (D. A.-84913) (File 79627)

---

↓Reduction.

(1)Effective June 1, 1932, in this supplement. Issued on ten (10) days' notice under Special Permission of the Interstate Commerce Commission No. 114241 of May 9, 1932.

[3]**Reissued** from Supplement No. 3, effective September 15, 1925.

[10]**Reissued** from Supplement No. 16, effective February 11, 1931.

## RULES—Concluded

[12]**RULE 20—(Cancels Rule 20, page 2 of Supplement No. 11)**

**INTERMEDIATE STATIONS, APPLICATION OF RATES, RULES OR REGULATIONS FROM**

Commodity rates applicable from intermediate points.

Subject to the provisions of Notes 1, 2, 3 and 4 below, from any point of origin from which a commodity rate on a given article to a given destination and via a given route is not named in this Tariff, which point is intermediate to a point from which a commodity rate on said article is published in this Tariff via a route through the intermediate point over which such commodity rate applies to the same destination, apply from such intermediate point to such destination and via such route the commodity rate in this Tariff on said article from the next point beyond from which a commodity rate is published herein on that article to the same destination via the same route.

**Note 1**—When, by reason of branch or diverging lines, there are two or more "next beyond" points apply the rate from the next point beyond (in this Tariff) which on that article to the same destination via the same route results in the lowest charge.

**Note 2**—If the intermediate point is located between two points from which commodity rates on the same article via the same route are published in this Tariff apply via that route from the intermediate point the rate from the next point in either direction which results in the higher charge. In applying this note, if there are two or more next beyond points due to branch or diverging lines, eliminate all such next beyond points except the point from which the lowest rate applies.

**Note 3**—If the class rate on the same article via the same route from the intermediate point produces a lower charge than would result from applying the commodity rate under this rule, such commodity rate will not apply.

**Note 4**—If there is in any other tariff a commodity rate on the same article from the intermediate origin point applicable over the same route to the same destination, the provisions of this rule are not applicable from such intermediate origin point.

**Exception**—Hollandale, Leland, Shaw and Rosedale, Miss., not covered by this Rule.

[7]**RULE 22 (Cancels Rule 22, page 3 of Supplement No. 6)**

**CERTIFICATE TO BE USED WHEN COMPRESSED COTTON IS SHIPPED IN THE NAME OF ANOTHER PARTY, FIRM OR CORPORATION**

When for commercial reasons a shipper forwards Compressed Cotton in the name of another party, firm or corporation, the transit privileges authorized by this Tariff will be accorded only when the shipper actually making the shipment is entitled to such transit privileges, and then only when documents required by the rules of this Tariff are accompanied by certificate in the following form:

The outbound shipment of ..... (insert Compressed Cotton), covered by the bill of lading attached, is in fact made by the undersigned, but for commercial reasons, the bill of lading shows consignor as follows ..... (insert name of consignor shown on bill of lading).

.....

Signature of the actual shipper of the Compressed Cotton.

---

**TABLE SHOWING IN MILES THE BACK OR CIRCUITOUS MILES VIA CLEVELAND, MISS., FROM POINTS OF ORIGIN TO POINTS OF DESTINATION COVERED BY THIS TARIFF TO BE USED IN DETERMINING THE AMOUNT TO BE ADDED TO THROUGH RATES UNDER RULE 7 OF TARIFF**

**(Cancels Mileages shown on page 6 of Tariff to the extent shown below)**

**GROUP 1—Includes the following:**

(a) All points and ports in the United States and Canada north of an east and west line drawn through Cleveland, Miss., except as provided in Group 2.

(b) Southern points east of the Alabama-Mississippi State Line except Mobile, Ala., and Pensacola, Fla.

(c) Pacific Coast Points except points in California when routed through New Orleans, Baton Rouge, La., Natchez or Vicksburg, Miss.

**GROUP 2—Includes the following:**

(a) All points and ports south of an east and west line drawn through Cleveland, Miss., not included in Group 1.

(b) Albany, N. Y., Boston, Mass., New York, N. Y., Philadelphia, Pa., Utica, N. Y., and points taking same rates or arbitraries higher, when routed via New Orleans, La., in connection with Southern Pacific-Atlantic Steamship Lines "Morgan Line."

(c) Points in California, when routed via New Orleans, Baton Rouge, La., Natchez or Vicksburg, Miss.

For list of points of destination, see tariffs enumerated on page 2 of Tariff, and as amended.

| Index No. | FROM TO | GROUPS 1 MILES | GROUPS 2 MILES |
|---|---|---|---|
| | **VICKSBURG DIVISION** | | |
| | **Cleveland District** | | |
| 28 | [10](1)Shaw ..... Miss. | ..... | (1) |
| 56 | [8](1)Hollandale ..... Miss. | ..... | (1) |
| | **Helm District** | | |
| 76 | [16A](2)(3)Napance ..... Miss. | (2)(3) | (2)(3) |
| 78 | [16A](2)(3)Busey ..... Miss. | (2)(3) | (2)(3) |
| 80 | [16A](2)(3)Lees ..... Miss. | (2)(3) | (2)(3) |
| 82 | [16A](2)(3)Turners ..... Miss. | (2)(3) | (2)(3) |
| 84 | [16A](2)(3)Littons ..... Miss. | (2)(3) | (2)(3) |
| | [16A](2)(3)Jacobs ..... Miss. | (2)(3) | (2)(3) |

(1)Eliminate.

(2)Issued in compliance with Certificate of Public Convenience and Necessity of the Interstate Commerce Commission in Finance Docket No. 8088, dated December 17, 1930.

(3)Eliminate; station abandoned.

[7]**Reissued** from Supplement No. 7, effective December 15, 1927.

[8]**Reissued** from Supplement No. 8, effective September 20, 1928.

[10]**Reissued** from Supplement No. 10, effective July 1, 1929.

[12]**Reissued** from Supplement No. 12, effective September 15, 1929.

[16A]**Reissued** from Supplement No. 16, effective February 1, 1931.

Finis

# RULES.

The following Rules govern the handling of UNCOMPRESSED COTTON AND UNCOMPRESSED COTTON LINTERS OR REGINS under this Tariff.

To be compressed at
CLEVELAND, MISS.
And Forwarded via

The Yazoo and Mississippi Valley Railroad or via The Yazoo and Mississippi Valley Railroad, Vicksburg, Miss., and Mississippi-Warrior Service as provided in "Application of Tariff" on page 2.

®RULE 1—METHODS OF SETTLEMENT ON BASIS AUTHORIZED BY THIS TARIFF.

(a) At transit user's option the application of rates authorized herein will be effected by the use at the time of outbound shipments of the remainder of rate authorized herein after deducting the rate paid into Cleveland, Miss., or will be effected by claim.

(b) When application of rates authorized herein is to be effected at the time of outbound movement by the use of the remainder of the through rates, original inbound paid freight bills covering the movement to Cleveland, Miss., must be surrendered to the railroad agent at the time the compressed cotton, cotton linters or regins is tendered for shipment from Cleveland, Miss.

(c) If original paid freight bills covering inbound movement to Cleveland, Miss., are not surrendered to the railroad agent at the time the outbound shipment of compressed cotton, cotton linters or regins is tendered it shall be understood that settlement by claim is desired. Claims for refund to the basis authorized herein must be supported by original paid freight bills covering inbound movement of uncompressed cotton, cotton linters or regins from points of origin specified herein and copies of bills of lading covering outbound movement from Cleveland, Miss.

RULE 2.—RATES TO APPLY TO CLEVELAND, MISS.

When uncompressed cotton, cotton linters or regins from points of origin specified herein is received at Cleveland, Miss., the railroad agent will collect freight charges on basis of rates shown in current Tariff to Cleveland, Miss., deliver the shipment in the usual way and take receipt for same in the usual manner.

®RULE 3—SURRENDER OF PAID FREIGHT BILLS.

(a) When settlement is to be effected by claim as authorized in Rule 1, original paid freight bills covering inbound movement of uncompressed cotton, cotton linters or regins from points of origin specified herein must be attached to claims for refund to the basis authorized herein.

(b) Except as provided in paragraph (a) when compressed cotton, cotton linters or regins is tendered for shipment from Cleveland, Miss., original paid freight bills covering inbound movement of uncompressed cotton, cotton linters or regins, from points of origin specified herein must be surrendered to the railroad agent as evidence that such shipment is entitled, subject to the provisions of these rules, to the application of through rates authorized by Rule 5.

(c) Inbound paid freight bills must cover as many bales (see also Rule 14, page 4) as tendered for shipment from Cleveland, Miss., and must be representative of the outbound shipments, viz.:

| When outbound shipments consist of | Inbound paid freight bills must be surrendered for |
|---|---|
| Compressed Cotton | Uncompressed Cotton. |
| Compressed Cotton Linters or Regins | Uncompressed Cotton Linters or Regins. |

®RULE 4—CANCELLATION OF PAID FREIGHT BILLS.

(a) When settlement is to be effected by claim as authorized in Rule 1, original paid freight bills covering inbound movement of uncompressed cotton, cotton linters or regins from points of origin specified herein must be attached to the claims for refund as authorized herein and will be cancelled by the Auditor of Freight Receipts.

(b) Except as provided in paragraph (a) when bills of lading are issued to cover the compressed cotton, cotton linters or regins, the railroad agent must take up and cancel the original inbound paid freight bills and endorse on the back thereof the number and date of waybill or waybills covering the outbound movement. The canceled paid freight bills must be forwarded weekly to the Auditor of Freight Receipts, attached to tissue copies of waybills covering the outbound shipments. If the entire lot of inbound cotton, cotton linters or regins shown on paid freight bills surrendered is not forwarded at one time, agents should hold tissue copies until the entire consignment is shipped and then forward canceled paid freight bills and tissue copies as indicated in the foregoing.

RULE 5.—RATES APPLICABLE.

(a) Except where back or circuitous hauls involved (see Rule 7), when compressed cotton, cotton linters or regins is shipped from Cleveland, Miss, to destinations authorized by this tariff, the through rates, including cost of compressing, from point of origin shown on inbound paid freight bill surrendered, to destination, shown in tariffs enumerated on Page 2 in effect on date of bill of lading covering the movement into Cleveland, Miss., will be applied. Where back or circuitous hauls involved charges and provisions of Rule 7, to be observed. (See Rules 6, 10 and 11).

(b) If thru carload rates are provided in tariffs enumerated on page 2 the compressed cotton, cotton linters or regins may be shipped from Cleveland in carloads on basis of the thru carload rates from each point of origin shown on inbound paid freight bills surrendered, subject to the highest minimum carload weight applicable from any of said points of origin regardless of whether the movement into Cleveland was in carload or less carload quantities. (See paragraph (e).)

(c) If transit and non-transit cotton, cotton linters or regins is shipped from Cleveland, Miss., in mixed carloads to destinations covered by this Tariff, the transit portion will be charged for at the transit carload rate, and the non-transit portion will be charged for at the non-transit carload rate, subject to the highest minimum carload weight applicable from Cleveland or any point of origin shown on inbound paid freight bill surrendered. (See paragraph (e).)

(d) If the aggregate weight of cotton, cotton linters or regins in carloads from Cleveland is less than the minimum weight required by this rule, the deficit shall be charged for at the non-transit carload rate from Cleveland, Miss.

(e) Cotton and cotton linters or regins may be forwarded from Cleveland, Miss., in mixed carloads only where through rates from points of origin shown on inbound paid freight bills surrendered, to destination, are applicable on such shipments under tariffs specified under "Application of Tariff," on page 2.

RULE 6.—SHIPMENTS TO PACIFIC COAST POINTS (for export.)

On cotton, cotton linters or regins shipped from Cleveland, Miss., in carloads to Portland, Ore., (for export), San Francisco, Cal., (for export), Seattle, Wash. (for export), or Tacoma, Wash. (for export), the carload rates and minimum weight as published in Trans-continental Tariffs Nos. 1-W and 4-T, Agent R. H. Countiss' I. C. C. No. 1129, C. R. C. No. 465 and I. C. C. No. 1130, C. R. C. No. 466 (I. C. R. R. Co. Tariffs 4407-P and 4409-Q) respectively, supplements thereto or reissues thereof, will be applied from each point of origin as represented by the inbound paid freight bill surrendered, regardless of whether the cotton, cotton linters or regins moved into Cleveland, Miss., in carloads or less carloads. (See Rule 5 (e)). Where back or circuitous hauls involved charges and provisions of Rule 7 to be observed.

®Reduction.

## RULES—Continued.

RULE 7—BACK OR CIRCUITOUS HAULS.

Back or circuitous hauls will be permitted and in addition to the through rates authorized by Rules 5 and 6 charges for the additional services will be assessed on the following basis:

| FOR BACK OR CIRCUITOUS HAULS | ADD TO THROUGH RATES |
|---|---|
| 15 miles and less | 2½ cents per 100 pounds. |
| 25 miles and over 15 | 3½ cents per 100 pounds. |
| 35 miles and over 25 | 4½ cents per 100 pounds. |
| 45 miles and over 35 | 5 cents per 100 pounds. |
| 55 miles and over 45 | 6 cents per 100 pounds. |
| 65 miles and over 55 | 6½ cents per 100 pounds. |

The chart on Page 6, shows in miles the extent of back or circuitous hauls via Cleveland, Miss.

RULE 8.—TIME LIMIT ON PAID FREIGHT BILLS.

Paid freight bills dated not more than twelve months prior to date compressed cotton, cotton linters or regins is forwarded from Cleveland, Miss., will be accepted for shipment at rates provided in Rule 5.

RULE 9.—LOCAL CONSUMPTION.

Paid freight bills for cotton, cotton linters or regins delivered for local consumption will not be accepted for outbound shipment of cotton, cotton linters or regins under these rules. For each bale of cotton, cotton linters or regins received by rail for compressing and afterwards disposed of for local consumption or other local disposition, a paid freight bill covering equal weight of like commodity must at once be canceled and proper record made thereof.

®RULE 10—BILLS OF LADING FOR COMPRESSED COTTON, COTTON LINTERS OR REGINS.

When settlement is not to be effected by claim, bills of lading for the compressed cotton; cotton linters or regins must bear notation:

"Rates from Cleveland, Miss.....(here insert remainder of through rate) from.....(here insert point of origin shown on inbound paid freight bill surrendered"). If back or circuitous hauls are involved, the additional charges shown in Rule 7, should also be added.

®RULE 11—WAYBILLING INSTRUCTIONS ON COMPRESSED COTTON, COTTON LINTERS OR REGINS.

(a) When settlement is to be effected by claim as authorized in Rule 1, the compressed cotton, cotton linters or regins must be waybilled from Cleveland, Miss., at the local rates applying from Cleveland, to final destination.

(b) When settlement is not to be effected by claim, the compressed cotton, cotton linters or regins must be waybilled from Cleveland at the remainder of the through rate as authorized herein after deducting from such through rate the rate paid into Cleveland, as shown on inbound paid freight bill surrendered. The outbound waybill, must show the point of origin, the date of inbound shipment to Cleveland, and the rate paid to Cleveland. If back or circuitous hauls are involved, the additional charges shown in Rule 7, should also be added.

(c) Waybills for compressed cotton, cotton linters or regins waybilled in accordance with paragraph (b), this rule must bear notation:

"Rate from Cleveland, Miss.....(here insert remainder of through rate), on.....(here insert name of commodity), from.....(here insert point of origin shown on inbound paid freight bill surrendered.)

RULE 12.—ALLOWANCE FOR COMPRESSING.

(a) Maximum allowance to compresses for compressing cotton, cotton linters or regins, in standard rectangular bales, will be fifteen (15) cents per 100 pounds.

(b) The amount to cover cost of compressing (not in excess of 15 cents per 100 pounds) included in the through rate, from point of origin (shown on inbound paid freight bill surrendered) to destination, will be deducted from proportion applying from Cleveland, Miss., to destination, and paid only to the compress Company performing the service of compressing.

RULE 13.—TRANSFER OF PAID FREIGHT BILLS BETWEEN DEALERS OR SHIPPERS.

A transfer of paid freight bills between dealers or shippers will be permitted only where the ownership of cotton, cotton linters or regins is also transferred by a bona fide sale. A certificate to this effect shall be made in the following form on the face of the paid freight bill:

This is to certify that there has been a bona fide sale to the undersigned of.....bales of .....(here insert name of commodity.)

Signed.....

Date.....

RULE 14—EXCESS WEIGHT, DIFFERENCES IN WEIGHTS AND CREDIT SLIPS.

If the weight of the outbound shipment exceeds the weight represented by the inbound paid freight bills, the excess weight is not entitled to transit rate, but will be charged for at the lawfully published rate from Cleveland, Miss., proper, to final destination. (The carload rates to apply as authorized in Rule 5, page 3.)

If the weight represented by the inbound paid freight bills surrendered is in excess of the transit weight of the outbound shipment the shipper will be given a credit slip for such excess weight, which may be used for shipment within the life of the freight bill of which such excess is a part; provided, however, no credit slip will be given for that weight which is lost through the process of sampling, etc., and provided, further, that no such credit slip will be given for less than five hundred pounds on any one paid freight bill. (See also Rule 3, page 3.)

In applying this rule in connection with Rule 3, page 3, where the number of bales of cotton in the shipment from transit point does not correspond with the number of bales shown on the inbound paid freight bills surrendered, the weight of the transit and non-transit cotton will be ascertained and applied in the following manner:

Determine the average weight per bale by dividing the weight of the shipment from the transit point by the total number of bales in such outbound shipment and apply the average weight per bale so obtained to each of the transit and non-transit bales of cotton in such outbound shipment.

RULE 15.—COMPRESSING IN CASES OF EMERGENCY.

The object and purpose of these rules is to permit the movement of uncompressed cotton, cotton linters or regins, as provided herein, to Cleveland, Miss., for compressing and shipment to destinations shown in this Tariff. If, however, highwater, accident, breakdown, damage, destruction by fire, receipts beyond capacity, or other cause, renders compress unavailable for prompt service, or inaccessible to The Yazoo and Mississippi Valley Railroad Co. The Yazoo and Mississippi Valley Railroad Co. reserves the right to use any available or accessible compress without additional charge to the shipper.

®Reduction.

116

76g-7

## RULES—Continued.

RULE 16.—RECORDS KEPT BY SHIPPERS AND INSPECTION BY CARRIER.

The Yazoo and Mississippi Valley R. R. Co. will, through its duly appointed agents, make such investigation of the records of the shippers accorded transit privileges as may be necessary, and all shippers accorded transit privileges as herein defined, shall keep record of receipts from all sources and of all dispositions of cotton, cotton linters or regins. Affidavit as to the accuracy of such records shall be furnished representatives of The Yazoo and Mississippi Valley Railroad Co. when required. In the event of failure or refusal on the part of shippers to maintain such records, or in all particulars to conform to these rules transit privileges will be refused.

RULE 17.—CLASSIFYING, MARKING, ETC., ON RAILROAD PROPERTY.

The Yazoo and Mississippi Valley Railroad Co. will not permit shippers or receivers to class, re-mark, etc., cotton, cotton linters or regins on its property at compress points, and agents will be required to personally see that this rule is enforced.

RULE 18.—WEIGHTS TO APPLY.

Where rates on cotton, cotton linters or regins apply in cents per one hundred pounds, shipments shall be waybilled at and charges assessed on basis of actual weight; except that where weight cannot be obtained, certificate of a public weigher or certified copy of invoice of actual gross weight will be accepted as evidence of actual weight.

In cases where the actual weight cannot be determined, shipments shall be waybilled at estimated weight of five hundred (500) pounds per bale, and agent shall make notation on waybill, "Estimated weight used. Agent at destination will determine actual weight and collect charges accordingly."

RULE 19.—BASIS TO APPLY TO POINTS BEYOND TRANSIT DESTINATIONS.

When shipments from points of origin are destined to points beyond the transit destinations, the rates and transit privileges authorized herein will be applied to such transit destinations and the rates lawfully applicable from such transit destinations to ultimate destinations, will be in addition.

RULE 20—INTERMEDIATE STATIONS, APPLICATION OF RATES, RULES OR REGULATIONS FROM.

From a point of origin not named herein, but located between two points on the same line from which rates, rules or regulations are authorized herein, apply from such intermediate point same rates, rules or regulations as from the station on either side taking the higher rate, rule or regulation.

RULE 21—RULES IN TARIFF CONTAINING RATES ALSO APPLY.

Except as otherwise specifically provided in this Tariff, the rules and regulations governing rates shown in Agent J. H. Glenn's I. C. C. Nos. A-473, A-388, A-365 and A-466 (I. C. R. R. Co. and The Y. and M. V. R. R. Co. Tariff Nos. 13432-D, 13430-C, 13434-C and 13436-E, respectively), Trans-Continental Freight Bureau Joint Tariff No. 1-W, Agent R. H. Countiss' I. C. C. No. 1129, C. R. C. No. 465 (I. C. R. R. Co. Tariff No. 4407-P), Trans-Continental Freight Bureau Joint Tariff No. 4-T, Agent R. H. Countiss' I. C. C. No. 1130, C. R. C. No. 466 (I. C. R. R. Co. Tariff No. 4409-Q), Trans-Continental Freight Bureau West-Bound Export Tariff No. 29-N, Agent R. H. Countiss' I. C. C. No. 1137, C. R. C. No. 473 (I. C. R. R. Co. Tariff No. Foreign 376-X), and Agent W. M. Hough's I. C. C. No. A-66 (I. C. R. R. and The Y. and M. V. R. R. Tariff No. 13716-C), supplements thereto or reissues thereof, also govern shipments handled under this Tariff.

TABLE SHOWING IN MILES THE BACK OR CIRCUITOUS HAULS VIA CLEVELAND, MISS., FROM POINTS OF ORIGIN TO POINTS OF DESTINATION COVERED BY THIS TARIFF TO BE USED IN DETERMINING THE AMOUNT TO BE ADDED TO THROUGH RATES UNDER RULE 7.

GROUP 1—INCLUDES THE FOLLOWING:

(a) All points and ports in the United States and Canada north of an east and west line drawn through Cleveland, Miss., except as provided in Group 2.

(b) Southern points east of the Alabama-Mississippi State Line except Mobile, Ala., and Pensacola, Fla.

(c) Pacific Coast Points except points in California when routed through New Orleans, Baton Rouge, La., Natchez or Vicksburg, Miss.

GROUP 2—INCLUDES THE FOLLOWING:

(a) All points and ports south of an east and west line drawn through Cleveland, Miss., not included in Group 1.

(b) Albany, N. Y., Boston, Mass. New York, N. Y., Philadelphia, Pa., Utica, N. Y. and points taking same rates or arbitraries higher, when routed via New Orleans, La., in connection with Southern Pacific-Atlantic Steamship Lines "Morgan Line".

(c) Points in California, when routed via New Orleans, Baton Rouge, La., Natchez or Vicksburg, Miss.

For list of points of destination, see tariffs enumerated on Page 2.

| Index No. | FROM | TO | GROUPS 1 MILES | GROUPS 2 MILES |
|---|---|---|---|---|
| | **MEMPHIS DIVISION.** | | | |
| | **Clarksdale District.** | | | |
| 2 | Bobo | Miss | 28 | |
| 4 | Alligator | " | 24 | |
| 6 | Gum Pond | " | 23 | |
| 8 | Duncan | " | 21 | |
| 10 | Hushpuckana | " | 18 | |
| 12 | Shelby | " | 14 | |
| 14 | Wyandotte | " | 11 | |
| 16 | Mound Bayou | " | 8 | |
| 18 | Merigold | " | 6 | |
| 20 | Renova | " | 2 | |
| | **VICKSBURG DIVISION** | | | |
| | **Cleveland District.** | | | |
| 22 | Boyle | Miss | | 3 |
| 24 | O'Reillys | " | | 6 |
| 26 | Appeal | " | | 7 |
| 28 | Shaw | " | | 11 |
| 30 | Choctaw | " | | 15 |
| 32 | Helm | " | | 19 |
| 34 | Head | " | | 21 |
| 36 | Elizabeth | " | | 25 |
| 38 | Isenberg | " | | 29 |
| 40 | Aldridge | " | | 30 |
| 42 | Burdette | " | | 30 |
| 44 | Erots | " | | 31 |
| 46 | Wilmot | " | | 34 |
| 48 | Arcola | " | | 36 |
| 50 | McCutcheon | " | | 39 |
| 52 | Estill | " | | 40 |
| 54 | Warsaw | " | | 42 |
| 56 | Hollandale | " | | 43 |
| 58 | Overby | " | | 45 |
| 60 | Percy | " | | 48 |
| 62 | Panther Burn | " | | 51 |
| 64 | Nitta Yuma | " | | 54 |
| 66 | Cameta | " | | 55 |
| 68 | Anguilla | " | | 58 |
| 70 | Mont Helena | " | | 61 |
| 72 | Riverside Junction | " | | 62 |
| 74 | Rolling Fork | " | | 63 |
| | **VICKSBURG DIVISION —Continued.** | | | |
| | **Helm District** | | | |
| 76 | Napanee | Miss | | 16 |
| 78 | Busey | " | | 16 |
| 80 | Lees | " | | 16 |
| 82 | Turners | " | | 16 |
| 84 | Littons | " | | 16 |
| 86 | Jacobs | " | | 16 |
| | **Kimball Lake District** | | | |
| 88 | Niles | Miss | | 3 |
| 90 | Malvina | " | | 3 |
| 92 | Symonds | " | | 3 |
| 94 | Clifford | " | | 3 |
| 96 | Pace | " | | 3 |
| 98 | Victor | " | | 3 |
| 100 | Kimball Lake | " | | 3 |
| 102 | Laughlin | " | | 3 |
| 104 | Skene | " | | 3 |
| 106 | Halstead | " | | 3 |
| 108 | White City | " | | 3 |
| 110 | Barrow | " | | 3 |
| 112 | Dockery | " | | 3 |
| | **Yerger District.** | | | |
| 114 | Holly Knowe | Miss | | 27 |
| 116 | Brown's Spur | " | | 27 |
| 118 | Tribbett | " | | 27 |
| 120 | Bourbon | " | | 27 |
| 122 | McGrath | " | | 27 |
| 124 | Trail Lake | " | | 27 |
| 126 | Yerger | " | | 27 |
| | **Riverside District.** | | | |
| 128 | Gill | Miss | | 3 |
| 130 | Beulah | " | | 3 |
| 132 | Christmas | " | | 3 |
| 134 | Byng | " | | 3 |
| 136 | Lobdell | " | | 3 |
| 138 | Dahomey | " | | 3 |
| 140 | Benoit | " | | 3 |

Where blank spaces occur in above table, there is no back or circuitous service and the through rates from points of origin to destinations apply.

Where mileages are shown in above table, add to through rates from point of origin to destinations the amounts shown opposite that mileage in Rule 7.

(Authority No. G-7951.)

118

76g-9

[fols. 76g-10 & 11] STATE OF MISSISSIPPI,
County of Hinds:

I, Tom Q. Ellis, Clerk of the Supreme Court of the State of Mississippi do hereby certify that the above and foregoing are the original exhibits A, C, D, E, F, G, H, J, to the Agreed Statement of Facts in the Case of Federal Compress & Warehouse Company vs. E. R. McLean, Sheriff, Number 30 543.

Witness my signature and official seal of office this the 19th day of May, 1933.

Tom Q. Ellis, Clerk of the Supreme Court of the State of Mississippi. (Seal.)

---

[fol. 77] EXHIBIT "K"

Cotton Production

| Year | Acres harvested in Mississippi | Yield in Bales Mississippi | Yield in Bales in United States |
|---|---|---|---|
| 1901 | 3,194,000 | 1,255,000 | 10,102,102 |
| 1902 | 3,184,000 | 1,444,000 | 9,582,520 |
| 1903 | 3,328,000 | 1,433,000 | 10,588,250 |
| 1904 | 3,632,000 | 1,799,000 | 9,819,969 |
| 1905 | 3,051,000 | 1,199,000 | 13,451,337 |
| 1906 | 3,408,000 | 1,531,000 | 10,495,105 |
| 1907 | 3,081,000 | 1,468,000 | 12,983,201 |
| 1908 | 3,395,000 | 1,656,000 | 11,057,822 |
| 1909 | 3,291,000 | 1,083,000 | 13,086,005 |
| 1910 | 3,317,000 | 1,263,000 | 10,072,731 |
| 1911 | 3,340,000 | 1,204,000 | 11,568,334 |
| 1912 | 2,889,000 | 1,046,000 | 15,553,073 |
| 1913 | 3,067,000 | 1,311,000 | 13,488,539 |
| 1914 | 3,054,000 | 1,246,000 | 13,982,811 |
| 1915 | 2,735,000 | 954,000 | 15,905,840 |
| 1916 | 3,110,000 | 812,000 | 11,068,173 |
| 1917 | 2,788,000 | 906,000 | 11,363,915 |
| 1918 | 3,138,000 | 1,226,000 | 11,248,242 |
| 1919 | 2,848,000 | 961,000 | 11,906,480 |
| 1920 | 2,950,000 | 895,000 | 11,325,532 |
| 1921 | 2,628,000 | 813,000 | 13,270,970 |
| 1922 | 3,014,000 | 989,000 | 7,977,778 |

| Year | Acres harvested in Mississippi | Yield in Bales Mississippi | Yield in Bales in United States |
|---|---|---|---|
| 1923 | 3,170,000 | 604,000 | 9,729,306 |
| 1924 | 2,981,000 | 1,099,000 | 10,170,694 |
| 1925 | 3,466,000 | 1,991,000 | 13,639,399 |
| 1926 | 3,752,000 | 1,888,000 | 16,122,516 |
| 1927 | 3,340,000 | 1,355,000 | 17,755,070 |
| 1928 | 4,029,000 | 1,475,000 | 12,783,112 |
| 1929 | 4,071,000 | 1,915,000 | 14,296,549 |
| 1930 | 4,442,000 | 1,464,000 | 14,548,000 |
| 1931 | 3,985,000 | *1,740,000 | *14,350,000 |
| 1932 | | *1,100,000 | *11,947,000 |

*Estimated.

---

[fol. 78] EXHIBIT "L"

Cotton Consumption in Mississippi

| | Spindles | (Exclusive of Linters) Bales of Cotton |
|---|---|---|
| 1920 | 174,714 | 36,425 |
| 1921 | 176,778 | 31,208 |
| 1922 | 172,612 | 40,463 |
| 1923 | 178,508 | 46,117 |
| 1924 | 182,508 | 34,751 |
| 1925 | 185,192 | 32,201 |
| 1926 | 177,836 | 33,402 |
| 1927 | 175,644 | 36,450 |
| 1928 | 176,604 | 41,627 |
| 1929 | 177,346 | 41,331 |
| 1930 | 207,088 (131,284 active) | 36,204 |

---

[fol. 79] IN CIRCUIT COURT OF THE SECOND JUDICIAL DISTRICT OF BOLIVAR COUNTY, STATE OF MISSISSIPPI

No. 4310

FEDERAL COMPRESS & WAREHOUSE COMPANY, Plaintiff,

vs.

E. R. McLEAN, Sheriff & Tax Collector, etc., Defendant

FINAL JUDGMENT—Filed Nov. 21, 1932

This cause coming on this date for final hearing on declaration, personal service of legal process, plea of gen-

eral issue of the defendant, all parties being persent in person and represented by counsel, and issue having been joined; came a jury of twelve good and lawful jurors of the Second Judicial District of Bolivar County, Mississippi, consisting of J. T. Robbins and eleven others, who being first duly empanelled and sworn the issue thus joined to well and truly try, and having heard oral and documentary evidence, having received the instructions of the Court, and having heard argument of counsel, retired to consider their verdict and presently returned into open court the following verdict, to-wit:

"We, the Jury find for the Defendant."

Whereupon, it is hereby ordered and adjudged that the Plaintiff, Federal Compress & Warehouse Company, take nothing by this its suit against E. R. McLean, Sheriff & Tax Collector of Bolivar County, State of Mississippi, Defendant, but that said Defendant go hence without day, and said suit be and the same is hereby finally dismissed and the said Plaintiff is taxed with all costs herein assessed and to be assessed; and let execution issue.

It is further ordered and adjudged upon prayer of the Plaintiff for and Appeal to the Supreme Court of the State [fol. 80] of Mississippi, that said appeal be and the same is hereby allowed upon the said Plaintiff filing within the time and manner required by law a good and sufficient appeal bond to be appreoved by the clerk of this court, in the sum of Five Hundred Dollars, conditioned as provided by law; and that in making up the record for said appeal the said clerk is hereby ordered and directed to make use of the original exhibits herein without the necessity of copying same, as a part of said record for appeal.

Ordered and adjudged this 21st day of November, 1932.

[File endorsement omitted.]

---

[fol. 81] Bond on appeal for $500.00 approved, omitted in printing.

[fol. 82] IN SUPREME COURT OF MISSISSIPPI

No. 30543

FEDERAL COMPRESS & WAREHOUSE COMPANY

vs.

E. R. McLEAN, Sheriff

Division A, Smith, C. J.

OPINION—Filed April 3, 1933

The appellant is a Delaware corporation, and owns and operates a cotton warehouse and a cotton compress at Cleveland, Miss. Section 57, Chap. 88, Laws of 1930, imposes a privilege tax "upon each person operating a cotton compress," graduated according to the number of bales compressed per annum. Section 63 of the same statute imposes a privilege tax "upon each person operating a warehouse for the storage of cotton, whether in conjunction with a compress or not", graduated according to the storage capacity of the warehouse. These privilege taxes must be paid before the warehouse and compress can be operated, Sections 3 and 242 of the statute. The appellant paid the appellee tax collector, under protest, the privilege taxes required of it under these statutes, and has brought this suit to recover the same.

The case was tried on an agreed statement of facts. The court directed the jury to return a verdict for the appellee, and there was a judgment accordingly.

The appellant's complaints are: First, the statute, as applied to it, violates the United States Warehouse Act; [fol. 83] and, second, regulates or imposes a burden on interstate commerce beyond the state's power to do under the Commerce Clause of the Federal Constitution.

The following facts appear from the agreed statement of facts. Cotton, after being picked, is ginned and packed into bales of approximately five hundred pounds each. The general and uniform custom under which cotton is marketed is to transport it from its place of production by rail or truck to a warehouse or compress, the owner receiving from the warehouse a negotiable receipt therefor. The cotton is then sold to buyers, who purchase it for the purpose of selling and shipping it in interstate commerce. All of the cotton, except such a few bales thereof

as to be negligible, that has passed through the appellant's warehouse and compress, has been shipped therefrom to other states or countries. The appellant has a contract with the Yazoo & Mississippi Valley Railroad Company, near the right of way of which its warehouse and compress are situated, one of the provisions of which is as follows:

"The intent and purpose of this agreement, among other things, is to confirm the Compress Company as the limited agent of the Railroad Company for the purposes of receiving cotton from the Railroad Company, delivering cotton to the Railroad Company, loading and unloading cotton from and into the cars of said Railroad Company, making proper delivery of cotton in the custody of said Compress Company so far as concerns the interest of the Railroad Company, and as principal to furnish the premises for the use of the Railroad Company as a cotton depot under and subject to all of the terms and conditions of this agreement and the lawfully published tariffs and regulations of the Railroad Company from time to time in effect with respect to the transportation and handling of cotton."

[fol. 84] When the purchasers of these warehouse receipts have sold, and desire to ship, the cotton to other states or countries, they surrender the receipts to the appellant which then compresses the cotton, thereby reducing the size of the bale, and loads it into cars of the railroad company, which then issues a bill of lading therefor. The rate charged by the railroad company for transporting the cotton, that had been shipped to the compress from an interior point on a local bill of lading, is the through rate from the point from which it was shipped to the appellant to its point of destination under the new bill of lading, credit thereon being given the shipper on the surrender of the receipt for the transportation charged under the prior local bill of lading. The appellant's charges for compressing the cotton are paid by the railroad company which, together with the railroad's transportation charges, are with the approval of the Interstate Commerce Commission.

The appellant's complaint that the exaction of these privilege taxes, as applied to it, violates the United States Warehouse Act, may be summarily disposed of by saying that it is wholly without merit.

The appellee concedes, and for the purpose of the argument we will assume, that these taxes as applied to the appellant violates the interstate commerce clause of the Federal Constitution, if its warehouse and compress are essential means and instrumentalities of interstate commerce.

The cotton, moving through the appellant's warehouse and compress, entered into, and became a part of, interstate commerce when, but not until, it commenced its journey from this state to another state or country; in other words, when the cotton was delivered to the railroad company for transportation into another state or country. This did not [fol. 85] occur until it was delivered to the railroad, after being compressed, for transportation. Coe v. Errol, 116 U. S. 519, 29 L. Ed. 75; Diamond Match Co. v. Village of Ontonagon, 188 U. S. 82, 47 L. Ed. 394. The assembling of the cotton in the warehouse and its compression are acts preliminary, convenient for, but not absolutely essential, to its transportation to other states or countries. Authorities supra; and Munn v. People of Illinois, 94 U. S. 113, 24 L. Ed. 77; Cargile Company v. Minnesota, 180 U. S. 452, 45 L. Ed. 619; Merchants Exchange v. Missouri, 248 U. S. 365, 63 Ed. 300; 12 C. J. 38, pp. 94, 103. The appellant's warehouse and compress, therefore, are not instrumentalities of interstate commerce; consequently the privilege taxes collected thereon imposed no unconstitutional burden on that commerce.

Affirmed.

[File endorsement omitted.]

---

[fol. 86] IN SUPREME COURT OF MISSISSIPPI

30543

FEDERAL COMPRESS CO.

vs.

E. R. McLEAN, Sheriff

JUDGMENT—April 3, 1933

This cause having been submitted at a former day of this term on the record herein from the Circuit Court of Bolivar County and this court having sufficiently examined and considered the same and being of the opinion that there is no error therein doth order and adjudge that the

judgment of said Circuit Court rendered in this cause on the 21st day of November 1932, be and the same is hereby affirmed. It is further ordered and adjudged that the appellee do have and recover of and from the appellant and New Amsterdam Casualty Company of N. Y., all of the costs of this appeal to be taxed, etc.

---

[fol. 87] Clerk's certificate to foregoing transcript omitted in printing.

---

[fol. 88] IN SUPREME COURT OF THE UNITED STATES

STATEMENT OF POINTS TO BE RELIED UPON AND DESIGNATION OF PARTS OF RECORD TO BE PRINTED—Filed June 16, 1933

Pursuant to Rule 13, Subdivision (9), the appellant in this cause would rely upon the following points:

1. That Section 57, page 162, Chapter 88, Laws of Mississippi, 1930, as to compresses, providing:

"Cotton Compresses.—Upon each person operating a cotton compress, as follows:

"Where the number of bales of cotton compressed per annum is 40,000 bales, or less, and more than 30,000 bales, $400.00,"

is an undue burden upon interstate commerce, and void by reason thereof, compression of cotton being a necessary element in interstate and foreign commerce.

2. That said compress of appellant, being licensed as a Federal warehouse under the National Warehouse Act, Chapter 10, Title 7, U. S. C. A., Chap. 313, 39 Statutes at Large 486, is the taxation of a Federal instrumentality and therefore void.

3. That the tax imposed by Mississippi under Section 63, Chapter 88, Laws of Mississippi, 1930, as to cotton warehouses, providing:

"Cotton Warehouses.—Upon each person operating a warehouse for the storage of cotton, whether in conjunction with a compress or not, as follows: * * *

"Where the storage capacity of same is 35,000 bales or less, and more than 20,000, $75.00,"

is an undue interference with interstate commerce, in that [fol. 89] said warehousing as hereunder done constitutes interstate commerce.

4. That said tax upon said cotton warehouse is an undue burden upon a Federal instrumentality existing as a warehouse licensed by the Federal Government, pursuant to the National Warehouse Act, Chapter 10, Title 7, U. S. C. A.; Chap. 313, 39 Statutes 486, Aug. 11, 1916, and that in order to adequately present the points relied upon, you will print the following, as listed in the præcipe:

(1) The declaration, with exhibits. However, when said exhibits are but duplicates, one or the other differing only as to detail of that described, print only one as a type, omitting the remainder.

(2) The general issue plea.

(3) The agreement of the parties.

(4) Order as to nonsuit.

(5) Agreed statement of facts, with exhibits, printing only each exhibit once when said exhibits, as is here the case, are numerous.

(6) Final judgment of the Circuit Court.

(7) Appeal bond.

(8) Judgment and opinion of the Supreme Court of Mississippi.

(9) Appellate proceedings.

Marcellus Green, Sam W. Green, Forest B. Jackson, Counsel for Appellant.

Service of the foregoing is hereby duly admitted, and counsel for the appellee agrees that the record may be printed as above requested, without waiting for any counter designation.

Dated this 14th day of June, 1933.

W. W. Pierce, Asst. Attorney General of the State of Mississippi, Counsel for Appellee. J. A. Louderdale, Assistant Attorney General.

[fol. 90] [File endorsement omitted.]

---

Endorsed on cover: File No. 37,769. Mississippi Supreme Court. Term No. 166. Federal Compress & Warehouse Company and New Amsterdam Casualty Company of New York, appellants, vs. E. R. McLean, sheriff and tax collector, et al. Filed June 12, 1933. File No. 166, O. T., 1933.